No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

Initial Public Offering **PROSPECTUS** April 28, 2017

NORREP SHORT DURATION 2017 FLOW-THROUGH LIMITED PARTNERSHIP

$25,000,000 (Maximum Offering)
$5,000,000 (Minimum Offering)

A minimum of 500,000 Limited Partnership Units
and a maximum of 2,500,000 Limited Partnership Units

Purchase Price: $10.00 per Unit
Minimum Purchase: 500 Units ($5,000)

Norrep Short Duration 2017 Flow-Through Limited Partnership (the "**Partnership**") is a non-redeemable investment fund and has been organized to invest in flow-through shares ("**Flow-Through Shares**") of issuers whose shares are listed on a North American stock exchange and Flow-Through Shares of Private Issuers (defined herein) (collectively, "**Resource Companies**"), in each case, whose principal business is: (i) oil and gas exploration, development and production; (ii) mineral exploration, development and production; or (iii) renewable energy development and production in Canada. See "*Investment Objectives*" and "*Investment Strategies*". Certain capitalized terms used in this prospectus are defined in the "*Glossary*" section of this prospectus.

The Partnership will use its best efforts to invest all Available Funds in Flow-Through Shares of Resource Companies on or before December 31, 2017 pursuant to Flow-Through Investment Agreements requiring that the Resource Companies renounce to the Partnership, effective not later than such date, Eligible Expenditures constituting Canadian Development Expense ("**CDE**"), Canadian Exploration Expense ("**CEE**"), Qualifying CDE, or a combination thereof. Any Available Funds that have not been committed by the Partnership to purchase Flow-Through Shares on or before December 31, 2017 that are in excess of outstanding bank indebtedness and accrued interest thereon at that date will be distributed by January 15, 2018 on a *pro rata* basis to Limited Partners of record as at December 31, 2017. The amount available to the Partnership for investments is expected to be $5,000,000 in the case of the minimum Offering and $25,000,000 in the case of the maximum Offering because the Agents' commission, expenses of the Offering and the Operating Costs will be paid from funds borrowed under the Loan Facility. See "*Use of Proceeds*".

Limited Partners who have sufficient income, subject to certain limitations, will be entitled to claim certain deductions from income for Canadian income tax purposes. The Partnership targets 70% of the Available Funds to be renounced to it as CDE and 30% as CEE or Qualifying CDE, although the actual allocation of the Available Funds may vary substantially from the targeted percentages. If the actual allocation of Available Funds matches the targeted 70% CDE/ 30% CEE, Limited Partners could expect to claim tax deductions in respect of resource expenditures renounced to the Partnership equal to approximately 50% of the Available Funds for the 2017 taxation year, 15% of the Available Funds for the 2018 taxation year, and approximately 35% of the Available Funds in the following taxation years. Limited Partners could expect to claim additional tax deductions in respect of other expenses of the Partnership as further described in this Prospectus. Possible income tax deduction scenarios and savings arising from an investment in Units (based on certain assumptions and estimates) are set forth under the heading "*Illustration of Possible Tax Deductions*". See "*Termination of the Partnership*" and "*Risk Factors – Tax Related*".

Prior to the Initial Closing Date, the Partnership intends to enter into the Loan Facility with the Lender. The Loan Facility will permit the Partnership to borrow, to a maximum of 10% of the Gross Proceeds, an amount equal to the expenses incurred by the Partnership under the Offering (such as Agents' commissions and expenses of the Offering) and the Operating Costs in order to maximize the allocation of Gross Proceeds towards the purchase of Flow-Through Shares, provided that at all times the aggregate of all advances under the Loan Facility shall not exceed 25% of the Partnership's Net Asset Value. The interest rates, fees and expenses under the Loan Facility are expected to be typical of credit facilities of this nature, and the Partnership will provide a general security interest in the assets held by the Partnership in favour of the Lender to secure these borrowings. Prior to the earlier of completion of the Liquidity Alternative or the dissolution of the Partnership, all bank indebtedness, including interest accrued thereon, will be repaid in full. See "*Investment Strategies – Loan Facility*".

Norrep 2017 Management Inc., a subsidiary of Norrep Group, is the general partner of the Partnership. Norrep, a subsidiary of Norrep Group, is the Fund Manager and the Portfolio Manager of the Partnership and will provide investment, management, administrative and other services to the Partnership on behalf of the General Partner. See "*Organization and Management Details of the Partnership – The Fund Manager and Portfolio Manager*".

Each Investor must purchase a minimum of 500 Units ($5,000). An Investor whose subscription has been accepted by the General Partner will become a Limited Partner upon the amendment of the Certificate maintained by the Transfer Agent and Registrar to include the Investor's name and other information prescribed by the Partnership Act.

In order to provide Limited Partners with liquidity and potential for long-term growth of capital, the General Partner currently intends to implement the Liquidity Alternative on or before September 30, 2018 pursuant to the terms of the Transfer Agreement, subject to receipt of any required approvals. The General Partner currently intends that the Liquidity Alternative will involve distributing the Partnership's assets (valued at Net Asset Value less the amount paid under the Performance Bonus) to one or more Mutual Funds in exchange for shares of the Mutual Fund to which the applicable assets are distributed (each, a "**Mutual Fund Rollover Transaction**"), which shares would be distributed to the Limited Partners *pro rata* amongst those Limited Partners participating in such Mutual Fund Rollover Transaction on a tax deferred basis in connection with the dissolution of the Partnership. If such transfer is completed, the Limited Partners would receive Mutual Fund shares, which will be redeemable at the option of the holder based upon the redemption price next determined after receipt by the Mutual Fund of the redemption notice. The Liquidity Alternative will not be implemented if it would prospectively or retroactively affect the status of the Flow-Through Shares as flow-through shares for income tax purposes.

A requirement to obtain approvals, including regulatory approvals, may arise in the situation where the Partnership does not implement a Liquidity Alternative as contemplated in this prospectus, but proposes to implement an alternative form of liquidity arrangement. The General Partner may call a meeting of the Limited Partners to approve a Liquidity Alternative upon different terms but intends to do so only if such other form of Liquidity Alternative is substantially different than described in this prospectus or if Limited Partner approval is required by NI 81-102. By acquiring Units, Limited Partners consent to the Liquidity Alternative and it is anticipated that no further approval from the Limited Partners will be sought or required unless the Liquidity Alternative is substantially different than described in this prospectus or if Limited Partner approval is required by NI 81-102. Although the approval of Limited Partners may not be obtained to implement the Liquidity Alternative, the Limited Partners will be sent written notice at least 60 days before the effective date of the Liquidity Alternative. See "*Termination of the Partnership*".

There is no assurance that the Liquidity Alternative or any alternative transaction will be proposed, will receive any necessary approvals (including regulatory approvals), will be implemented or will be implemented on a tax-deferred basis.

Notwithstanding the foregoing, the Partnership Agreement also states that the Liquidity Alternative may be implemented or the Partnership may be terminated at a date later than September 30, 2018 or December 31, 2018 (as applicable) if the General Partner determines in its discretion that the Liquidity Alternative or termination of the Partnership cannot be practicably implemented by September 30, 2018 or December 31, 2018 (as applicable) or if to do so would be detrimental to the interests of Limited Partners or the Partnership, provided that the Partnership will within 30 months following the completion of the Offering undertake a reorganization with, or transfer of its assets to, a Mutual Fund that is managed by Norrep or by an Affiliate of Norrep. If the Partnership continues in operation beyond September 30, 2018 or December 31, 2018 (as applicable), Norrep will invest the net proceeds of any dispositions of Flow-Through Shares or other securities (after repayment of indebtedness, including any indebtedness that is a limited recourse amount, of the Partnership) in High Quality Money Market Instruments pending implementation of the Liquidity Alternative or termination of the Partnership (as applicable).

If the Liquidity Alternative is not implemented, upon termination of the Partnership, all of the Partnership's debts and liabilities will first be paid in full (including all amounts outstanding under the Loan Facility) and thereafter, the Partnership will pay all amounts owing to Norrep in respect of the Performance Bonus. After such payments, the net assets of the Partnership will be distributed to the Limited Partners and the General Partner. At the time of dissolution of the Partnership, its assets will mainly consist of cash and equity securities. See "*Termination of the Partnership*", "*Organization and Management Details of the Partnership – Conflicts of Interest*" and "*Risk Factors*".

The General Partner has the unconditional right to accept or reject any subscription submitted and will promptly give notice thereof to such Investors. If a subscription is not accepted, all proceeds in respect of such subscription will be returned, without interest or deduction, to the Investor.

	Price to Public	**Agents' Commission[(2)]**	**Proceeds to Issuer[(3)]**
Per Unit[(1)]	$10.00	$0.575	$9.425
Minimum Offering	$5,000,000	$287,500	$4,712,500
Maximum Offering	$25,000,000	$1,437,500	$23,562,500

Notes:

1. The Subscription Price was determined by negotiation between BMO Nesbitt Burns Inc., on behalf of itself and the Agents, and the General Partner, on behalf of itself and the Partnership. Each Investor must purchase a minimum of 500 Units ($5,000).
2. The Agents' commission will be paid by the Partnership from funds borrowed under the Loan Facility and not from the proceeds of the Offering. See "*Fees and Expenses – Initial Fees and Expenses*" and "*Investment Strategies – Loan Facility*".
3. Amounts are after deducting the Agents' commission but before deducting the other expenses of the Offering, which are estimated by the General Partner to be $369,000, in the case of the maximum Offering, and $100,000, in the case of the minimum Offering, and will be paid by the Partnership from funds borrowed under the Loan Facility and not from the proceeds of the Offering. Norrep, as the Fund Manager, will pay the expenses of the Offering (exclusive of Agents' commission) in excess of 2.00% of the Gross Proceeds. See "*Fees and Expenses – Initial Fees and Expenses*".

The federal tax shelter identification number for the Partnership is TS085928. The Québec tax shelter identification number for the Partnership is QAF-17-01670. The identification numbers issued for this tax shelter must be included in any income tax return filed by an Investor. Issuance of the identification numbers is for administrative purposes only and does not in any way confirm the entitlement of an Investor to claim any tax benefits associated with the tax shelter. Le numéro d'identification attribué à cet abri fiscal doit figurer dans toute déclaration d'impôt sur le revenu produite par l'investisseur. L'attribution de ce numéro n'est qu'une formalité administrative et ne confirme aucunement le droit de l'investisseur aux avantages fiscaux découlant de cet abri fiscal.

THIS IS A SPECULATIVE OFFERING. This is a blind pool offering. There is no market through which the Units may be sold and purchasers may not be able to resell the Units purchased under this prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See "*Risk Factors*". Further, the Partnership does not intend to list the Units on any stock exchange. No market is expected to develop. Investors should consider the risk factors outlined under "*Risk Factors*" and all other information contained in this prospectus before making an investment decision.

The Agents of the Offering are, collectively, BMO Nesbitt Burns Inc., CIBC World Markets Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Scotia Capital Inc., TD Securities Inc., GMP Securities L.P., Raymond James Ltd., Canaccord Genuity Corp., Desjardins Securities Inc., Industrial Alliance Securities Inc., Laurentian Bank Securities Inc. and Manulife Securities Incorporated. The Agents conditionally offer the Units, subject to prior sale, on a "best efforts" basis, if, as and when issued by the Partnership and accepted by the Agents in accordance with the conditions contained in the Agency Agreement, and subject to the approval of certain legal matters by WeirFoulds LLP on behalf of the Partnership and McCarthy Tétrault LLP on behalf of the Agents. See "*Plan of Distribution*".

Offers to purchase Units will be received subject to acceptance or rejection in whole or in part and the right is reserved to close the offering books at any time without notice. It is expected that the Initial Closing Date will be on or about May 9, 2017 but, in any event, not later than the day which is 90 days following the date of issuance of a final receipt for this prospectus. If an initial Closing of the Offering takes place and the maximum Offering has not been achieved, the unsold Units may continue to be offered for sale until 90 days following the date of issuance of a final receipt for this prospectus. At Closing, a book-entry only certificate representing the Units will be issued in registered form to CDS Clearing and Depository Services Inc. ("**CDS**") or its nominee and will be deposited with CDS on the Closing Date. No person having an interest in or owning a Unit will be entitled to a certificate evidencing that person's interest in or ownership of such Unit and a purchaser of Units will receive only a customer confirmation from the registered dealer who is a CDS Participant and from or through whom the Units are purchased. See "*Plan of Distribution*".

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FORWARD-LOOKING STATEMENTS

Certain information regarding the Partnership set forth in this prospectus contains forward-looking statements that involve substantial known and unknown risks and uncertainties. The use of any of the words "plan", "expect", "intend", "believe", "anticipate", "estimate" or other similar words, or statements that certain events or conditions "may" or "will" occur are intended to identify forward-looking statements. All statements, other than statements of historical fact, included herein are forward-looking statements, including, without limitation: future plans and objectives of the Partnership; statements under the heading "*Illustration of Possible Tax Deductions*"; Canadian oil and gas market conditions; terms of the Offering, including the use of proceeds of the Offering; payment of fees to the General Partner and Norrep as the Fund Manager and the Portfolio Manager; the Partnership's investment objectives and investment strategies; treatment under governmental regulatory regimes and tax laws; the Liberal CEE Initiative; financial and business prospects and financial outlook; timing of a Liquidity Alternative and the dissolution of the Partnership; results of investments, the timing thereof and the methods of funding; future growth; and other events and circumstances described in terms of the Partnership's or Norrep's expectations or intentions. These statements reflect the current internal projections, expectations or beliefs of the Partnership and Norrep and are based on information currently available to the Partnership and Norrep and actual events or results may differ materially. An investment in the Partnership is speculative due to the nature of the Partnership's business. Although management of the General Partner and Norrep believe that the expectations reflected in the forward-looking statements are reasonable, they cannot guarantee future results, levels of activity, performance or achievement since such expectations are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Partnership's actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Partnership.

Forward-looking statements are subject to known and unknown risks and uncertainties, including, but not limited to: (i) changes in general economic conditions; (ii) competition; (iii) stock market volatility and market valuations; (iv) that an investment in Units is not guaranteed to earn a specified or any rate of return; (v) the General Partner has no prior experience in managing a limited partnership; (vi) there is no market for the Units and none is expected to develop; (vii) fees and expenses payable by the Partnership may decrease the assets available for investment by the Partnership; (viii) there is no assurance that a Resource Company will be able to incur and renounce in favour of the Limited Partners effective December 31, 2017 all of the anticipated Eligible Expenditures; (ix) tax legislation may be amended in a manner adverse to the Partnership and/or Limited Partners; (x) there is no assurance that expectations based on past experience will be indicative of future results; (xi) there is no guarantee the Liquidity Alternative will be implemented during the time specified or at all; and (xii) the risks discussed under "*Risk Factors*" and other factors, many of which are beyond the control of the Partnership, the General Partner and Norrep. Prospective purchasers are cautioned that the foregoing list of factors is not exhaustive. With respect to forward-looking statements contained in this prospectus, the Partnership, the General Partner and Norrep have made assumptions regarding among other things: future commodity prices; expected developments in the energy industry; capital expenditures; conditions in economic and financial markets; effects of regulation by governmental agencies; and future costs and expenses.

The Partnership has included the above summary of risks and assumptions related to forward-looking statements provided in this prospectus in order to provide Limited Partners with a more complete perspective on the Partnership's future operations and such information may not be appropriate for other purposes. These forward-looking statements are made as of the date of this prospectus and the Partnership, the General Partner, and Norrep disclaim any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

SCHEDULE OF EVENTS

Approximate Date	Event
May 9, 2017[(1)]	Anticipated Initial Closing Date.
December 31, 2017	Date by which the Available Funds are to be committed to purchase Flow-Through Shares.
March 2018	Limited Partners receive 2017 T5013A federal tax receipt and Relevé 15 in Québec.
September 30, 2018	Implementation of the Liquidity Alternative is expected to occur on or before this date.
December 31, 2018	Proposed termination date of the Partnership (unless a Liquidity Alternative has been implemented).

Note:

1. If the initial Closing is completed but the maximum Offering has not been achieved, one or more additional Closings may occur until the date that is 90 days following the date of issuance of a final receipt for this prospectus. See "*Plan of Distribution*". Investors who borrow to purchase Units must consider prohibitions on limited recourse borrowings. See "*Income Tax Considerations*".

ELIGIBILITY FOR INVESTMENT

In the opinion of WeirFoulds LLP, counsel to the Partnership, and McCarthy Tétrault LLP, counsel to the Agents, the Units are **not** qualified investments under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, registered disability savings plans, deferred profit sharing plans or tax-free savings accounts for purposes of the Tax Act.

GLOSSARY

Unless otherwise indicated or the context otherwise requires, the following terms and abbreviations have the following meanings:

1999 Partnership means Norrep Flow-Through Limited Partnership.

2000 Partnership means Norrep 2000 Flow-Through Limited Partnership.

2001 Partnership means Norrep 2001 Flow-Through Limited Partnership.

2002 Partnership means Norrep Performance 2002 Flow-Through Limited Partnership.

2003 Partnership means Norrep Performance 2003 Flow-Through Limited Partnership.

2004 Partnership means Norrep Performance 2004 Flow-Through Limited Partnership.

2005 Partnership means Norrep Performance 2005 Flow-Through Limited Partnership.

2006 Partnership means Norrep Performance 2006 Flow-Through Limited Partnership.

2007 Partnership means Norrep Performance 2007 Flow-Through Limited Partnership.

2008 Partnership means Norrep Performance 2008 Flow-Through Limited Partnership.

2009 Partnership means Norrep Performance 2009 Flow-Through Limited Partnership.

2010 Partnership means Norrep Performance 2010 Flow-Through Limited Partnership.

2011 Partnership means Norrep Performance 2011 Flow-Through Limited Partnership.

2012 Partnership means Norrep Performance 2012 Flow-Through Limited Partnership.

2013 Partnership means Norrep Short Duration 2013 Flow-Through Limited Partnership.

2014 Partnership means Norrep Short Duration 2014 Flow-Through Limited Partnership.

2015 Partnership means Norrep Short Duration 2015 Flow-Through Limited Partnership.

2016 Partnership means Norrep Short Duration 2016 Flow-Through Limited Partnership.

Affiliates, as describing the relationship between two persons (as such term is defined in the *Securities Act* (Alberta)), means: (a) one of them is an affiliate or an associate of the other, as those terms are defined in the *Securities Act* (Alberta); (b) one is a director or senior officer, as so defined, of the other or of an affiliate, as so defined, of the other; or (c) one does not deal at arm's length with the other for the purposes of the Tax Act.

Agency Agreement means the agreement dated April 28, 2017 between the General Partner, the Partnership, Norrep and the Agents pursuant to which the Partnership has appointed the Agents as its sole and exclusive agents to obtain subscriptions for the Units on a "best efforts" basis at a price of $10.00 per Unit.

Agents means, collectively BMO Nesbitt Burns Inc., CIBC World Markets Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Scotia Capital Inc., TD Securities Inc., GMP Securities L.P., Raymond James Ltd., Canaccord Genuity Corp., Desjardins Securities Inc., Industrial Alliance Securities Inc., Laurentian Bank Securities Inc. and Manulife Securities Incorporated.

Applicable Resource Company means a Resource Company that has entered into or proposes to enter into a Flow-Through Investment Agreement with the Partnership.

Applicable Securities Laws means, collectively, all applicable securities laws in each of the Qualifying Jurisdictions and the respective regulations and rules under such laws together with applicable published policies statements, notices and orders of the securities regulatory authorities in the Qualifying Jurisdictions and all discretionary decisions, orders or rulings, if any, made by such securities regulatory authorities.

Available Funds means, after each Closing, the aggregate Gross Proceeds from each Closing.

Book-Entry System means the book-based system administered by CDS.

CDE or **Canadian Development Expenses** means Canadian development expenses as defined in subsection 66.2(5) of the Tax Act, which cannot be renounced as CEE or Qualifying CDE to the Partnership.

CDS means CDS Clearing and Depository Services Inc. or its nominee, which as at the date of the Partnership Agreement is "CDS & Co.", or a successor thereto.

CDS Participant means a securities broker, dealer, bank, trust company or other participant in the depository service of CDS.

CEE or **Canadian Exploration Expenses** means Canadian exploration expenses as defined in subsection 66.1(6) of the Tax Act and includes CRCE.

Certificate means the certificate of limited partnership required to be filed and maintained by the Partnership under the Partnership Act.

Closing means any closing of the sale of Units to Investors.

Closing Date means the date a Closing takes place.

CRCE means Canadian renewable and conservation expense, as defined in subsection 66.1(6) of the Tax Act.

cumulative CDE means cumulative Canadian development expense as defined in subsection 66.2(5) of the Tax Act.

cumulative CEE means cumulative Canadian exploration expense as defined in subsection 66.1(6) of the Tax Act.

Custodian means CIBC Mellon Trust Company, in its capacity as custodian under the Custodian Agreement.

Custodian Agreement means the custodial services agreement to be dated as of or prior to the Initial Closing Date to be entered into by the Partnership, the General Partner and the Custodian.

Eligible Expenditures means expenditures in respect of exploration and development which qualify as CEE, Qualifying CDE or CDE and that may be renounced pursuant to subsections 66(12.6), (12.601), (12.62) or (12.66) of the Tax Act.

Federal Budget 2017 means proposals to amend the Tax Act announced by the Minister of Finance (Canada) on March 22, 2017.

Fiscal Year means the fiscal period of the Partnership commencing, as applicable, on the later of the date of formation of the Partnership and January 1 in a particular calendar year and ending on the earlier of December 31 of that year or the date of the dissolution or other termination of the Partnership.

Flow-Through Investment Agreements means agreements between the Partnership and Resource Companies pursuant to which the Partnership will subscribe for Flow-Through Shares, and the Resource Companies will agree to renounce Eligible Expenditures to the Partnership, as described under "*Investment Strategies*".

Flow-Through Shares and **Flow-Through Shares of Resource Companies** means common shares in the capital of Resource Companies which qualify as "flow-through shares" for the purposes of the Tax Act (or flow-through warrants entitling the Partnership to acquire shares in the capital of Resource Companies, provided that such flow-through warrants qualify as flow-through shares for the purposes of the Tax Act) and in respect of which the Resource Companies agree to renounce Eligible Expenditures to the Partnership.

Fund Manager means an investment fund manager appointed by the General Partner to provide administrative services and direct the business, operations and affairs of the Partnership, the initial Fund Manager being Norrep.

General Partner means Norrep 2017 Management Inc. and its successors as provided for in the Partnership Agreement, as general partner of the Partnership.

Gross Proceeds means the aggregate gross proceeds of the Offering.

High Quality Money Market Instruments means money market instruments which are accorded the highest rating category by Standard & Poor's ("AAAm") or by Dominion Bond Rating Service ("R-1"), banker's acceptances, and government guaranteed obligations all with a term of one year or less, and interest-bearing deposits with Canadian banks or trust companies.

IFRS means International Financial Reporting Standards.

Income or **Loss** of the Partnership for any Fiscal Year means the net income or net loss of the Partnership, including taxable capital gains net of allowable capital losses arising on the sale of Flow-Through Shares or other investments and any extraordinary or unusual items, all calculated in accordance with the Tax Act.

Initial Closing Date means the date of the first Closing, expected to be on or about May 9, 2017.

Independent Review Committee means an independent review committee to which conflict of interest matters are referred for review or approval in accordance with NI 81-107.

Investment Canada Act means the *Investment Canada Act,* R.C.S., 1985, c. 28 (1st Supp.).

Investment Restrictions means the Partnership's investment policies and restrictions contained in the Partnership Agreement. See "*Investment Restrictions*".

Investment Management Agreement means the agreement between the Partnership, the General Partner and Norrep to be dated as of or prior to the Initial Closing Date pursuant to which Norrep is appointed as Fund Manager and Portfolio Manager of the Partnership and will provide advice on investments and manage the Partnership's investment portfolio as well as provide management, administrative and other services to the Partnership on behalf of the General Partner as described under "*Organization and Management Details of the Partnership – Investment Management Agreement*".

Investor means a subscriber for Units under the Offering.

Lender means a qualified financial institution in its capacity as lender pursuant to the terms of the Loan Facility.

Liberal CEE Initiative means the initiative of the federal government of Canada to phase out subsidies for the fossil fuel industry which includes a direction to the Minister of Finance to develop proposals to allow CEE deductions only in cases of unsuccessful exploration. See "*Forward-Looking Statements*".

Limited Partner means, at any particular time, any party to the Partnership Agreement who is bound by the terms thereof as a limited partner of the Partnership and shown on the Partnership's current record of limited partner's as maintained by the General Partner pursuant to the Partnership Act.

Liquidity Alternative means a transaction in connection with the termination of the Partnership, which may be implemented by the General Partner provided that: (i) the transaction involves an entity that is a reporting issuer; and (ii) no such alternative may be implemented which affects the status of the Flow-Through Shares as "flow-through shares" for income tax purposes, whether prospectively or retroactively. Any such alternative will be duly considered and, if required, approved at a Special Meeting only if a Special Meeting is required by applicable law, rules or regulations. See "*Termination of the Partnership*".

Loan Facility means the loan facility to be entered into between the Partnership and the Lender.

Management Fee means the fee payable to Norrep, as the Fund Manager, from the Partnership, which is an annual management fee equal to 2.00% of the Net Asset Value of the Partnership, accruing daily from the Initial Closing Date and paid monthly.

Mineral Resource Companies means issuers whose shares are listed on a North American stock exchange or Private Issuers, in each case, whose principal business is mineral exploration, development and production, and which are "principal-business corporations" as defined in subsection 66(15) of the Tax Act.

Mmbtu means one million British Thermal Units.

Mutual Fund means a class of shares of Norrep Opportunities or another open-end mutual fund corporation (provided that such other open-end mutual fund corporation is a reporting issuer and is subject to NI 81-102 and NI 81-107) having Norrep as investment fund manager pursuant to an investment management agreement, which is expected to be Norrep Energy Class.

Mutual Fund Rollover Transaction means a Liquidity Alternative involving the distribution of some or all of the Partnership's assets (valued at Net Asset Value less the amount paid under the Performance Bonus) to a Mutual Fund in exchange for shares of the Mutual Fund.

Net Asset Value means, with respect to the Partnership on any particular Valuation Date, the sum of:

(a) cash owned by the Partnership;

(b) the market value on the Valuation Date of its other assets, determined as follows:

(i) the value of any security which is listed for trading upon a stock exchange (whether or not the security is subject to resale restrictions) will be the closing sale price on such date or, if there is no closing sale price, the last closing sale price on the trading day immediately before such date, as reported by any report in common use or authorized by such stock exchange;

(ii) where the Partnership has executed a Flow-Through Investment Agreement but has not completed the acquisition of the Flow-Through Shares provided for thereunder, for the purposes of calculating the Net Asset Value, the Partnership shall be deemed to have acquired the securities of the Resource Company at the date the Partnership entered into the applicable Flow-Through Investment Agreement, and the value of the securities deemed to be so acquired, calculated in the manner set forth in (i), (iii) or (iv), as applicable, shall be included in calculating Net Asset Value and the amount required to be invested under such Flow-Through Investment Agreement (together with interest accruing thereon for the account of the Resource Company, if any) shall be deducted in calculating the Net Asset Value. In the event the purchase of such Flow-Through Shares is not completed as contemplated by the Flow-Through Investment Agreement, the applicable subscription funds shall thereafter be included in calculating Net Asset Value;

(iii) the value of any security which is traded on an over-the-counter market (whether or not the security is subject to resale restrictions) will be priced at the last close price on such date, as reported by the financial press or an independent reporting organization;

(iv) the initial value of any security for which a market quotation is not readily available will be the cost of such security for common shares and 20% below cost for Flow-Through Shares. After its initial purchase of Flow-Through Shares of a Resource Company, the Partnership shall use estimation techniques to determine fair value of the security that incorporate observable market data, discounted cash flows and internal models comparing that particular Resource Company to its peer group;

(v) the value of assets quoted in foreign currencies will be converted to Canadian dollars at the exchange rate at noon on such date as set by the Bank of Canada;

(vi) for long positions in covered options, options on futures, over-the-counter options, debt-like securities and listed warrants, the current market value is used;

(vii) the fair value of investments in share purchase warrants is determined using a recognized economic model taking into account various factors including risk free rates of interest, dividend rates, volatility, market value and trading volume of the underlying stock; and

(viii) the statement of financial position of the Partnership records the securities sold short as a liability with the Partnership's assets deposited as security with borrowing agents for securities sold short recorded as an asset. The dividends and other income received on borrowed securities in connection with securities sold short are shown as an expense on the statement of operations of the Partnership;

less:

(c) all liabilities on such date as determined by Norrep (including amounts owed under the Loan Facility and contingent distributions).

Net Earnings for any fiscal period means Net Gain minus Net Loss.

Net Gain for any fiscal period means the aggregate of: (i) net proceeds of disposition to the Partnership of investments disposed of in that fiscal period minus the adjusted cost base to the Partnership of such investments, where a positive number; and (ii) the revenue earned by the Partnership during such fiscal period, calculated in accordance with generally accepted accounting principles.

Net Loss for any fiscal period means the aggregate of: (i) the amount, if any, by which the adjusted cost base to the Partnership of investments disposed of in that fiscal period exceeds the net proceeds of disposition to the Partnership for such investments; and (ii) all expenses of or relating to the Partnership during such fiscal period, calculated in accordance with IFRS.

NI 81-106 means National Instrument 81-106 – *Investment Fund Continuous Disclosure* as adopted by the securities regulatory authorities in Canada.

NI 81-107 means National Instrument 81-107 – *Independent Review Committee for Investment Funds* as adopted by the securities regulatory authorities in Canada.

Norrep II Class means the Norrep II Class mutual fund shares of Norrep Opportunities.

Norrep means Norrep Capital Management Ltd.

Norrep Canadian Equity Class means the Norrep Canadian Equity Class mutual fund shares of Norrep Opportunities, which was terminated on June 17, 2016 following a transfer of its assets to Norrep Core Canadian Pool, a share class of Norrep Core Portfolios Ltd.

Norrep Energy Class means the Norrep Energy Class mutual fund shares of Norrep Opportunities.

Norrep Entrepreneurs Class means the Norrep Entrepreneurs Class mutual fund shares of Norrep Opportunities.

Norrep Global Class means the Norrep Global Class mutual fund shares of Norrep Opportunities, which merged on June 27, 2016 into Norrep Global Income Growth Class.

Norrep Global Income Growth Class means the Norrep Global Income Growth Class mutual fund shares of Norrep Opportunities.

Norrep Group means Norrep Investment Management Group Inc.

Norrep High Yield Class means the Norrep High Yield Class mutual fund shares of Norrep Opportunities.

Norrep Income Growth Class means the Norrep Income Growth Class mutual fund shares of Norrep Opportunities.

Norrep Opportunities means Norrep Opportunities Corp., an open-end mutual fund corporation amalgamated under the laws of the Province of Alberta.

Norrep Tactical Opportunities Class means the Norrep Tactical Opportunities Class mutual fund shares of Norrep Opportunities.

Norrep US Dividend Plus Class means the Norrep US Dividend Plus Class mutual fund shares of Norrep Opportunities.

Offering means the public offering of the Units described herein or in any amendment hereto.

Offer to Purchase means the request or offer made by an Investor, or its agent to an Agent on the Investor's behalf, to purchase Units on the terms and conditions described in this prospectus.

Oil and Gas Resource Companies means issuers whose shares are listed on a North American stock exchange or Private Issuers, in each case, whose principal business is oil and gas exploration, development and production, and which are "principal-business corporations" as defined in subsection 66(15) of the Tax Act.

Operating Costs means the ongoing expenses of the Partnership, including the Management Fee, interest payments, and operating and administrative costs. The Operating Costs along with the Agents' commission and offering expenses will be funded with funds borrowed under the Loan Facility up to a maximum of 10% of Gross Proceeds. See "*Fee and Expenses – Ongoing Expenses*" and "*Fee and Expenses – Management Fee*".

Ordinary Resolution means a resolution passed by more than 50% of the votes cast in respect of such resolution at a duly constituted meeting of Limited Partners called for the purpose of considering such resolution, at which a quorum (consisting of two or more Limited Partners present in person or by proxy and representing not less than 10% of the Units then outstanding) is present or, alternatively, a written resolution signed in one or more counterparts by Limited Partners holding more than 50% of the Units outstanding and entitled to vote on such resolution at a meeting.

Partnership means Norrep Short Duration 2017 Flow-Through Limited Partnership.

Partnership Act means the *Partnership Act* (Alberta) and the regulations thereunder, as now enacted or as the same may be from time to time amended, re-enacted or replaced.

Partnership Agreement means the limited partnership agreement between the General Partner, R. Stevenson (Steve) Smith, as initial limited partner, and each person who becomes a Limited Partner, dated March 14, 2017, as amended and restated effective April 28, 2017, and as may be further amended from time to time.

Performance Bonus means the fee payable to Norrep, as the Fund Manager, from the Partnership on the Performance Bonus Date equal to the product of: (1) 20% of the amount by which (i) the sum of (A) the Net Asset Value per Unit on the Performance Bonus Date and (B) all distributions per Unit during the Performance Bonus Period, exceeds (ii) the sum of $10.00 plus appreciation thereon at the rate of 8% per annum, compounded annually, during the Performance Bonus Period; and (2) the number of Units outstanding on the Performance Bonus Date.

Performance Bonus Date means the earlier of (i) the business day prior to the implementation of a Liquidity Alternative; and (ii) December 30, 2018 (provided the term of the Partnership is not extended by the General Partner pursuant to the terms of the Partnership Agreement).

Performance Bonus Period means the period commencing on the Initial Closing Date and ending on the Performance Bonus Date.

Portfolio Manager means a portfolio manager appointed by the General Partner to provide advice on investments and manage the Partnership's investment portfolio, the initial Portfolio Manager being Norrep.

Prior Partnerships means, collectively, the 1999 Partnership, the 2000 Partnership, the 2001 Partnership, the 2002 Partnership, the 2003 Partnership, the 2004 Partnership, the 2005 Partnership, the 2006 Partnership, the 2007 Partnership, the 2008 Partnership, the 2009 Partnership, the 2010 Partnership, the 2011 Partnership, the 2012 Partnership, the 2013 Partnership, the 2014 Partnership, the 2015 Partnership and the 2016 Partnership.

Private Issuer means an issuer whose securities are not listed on a North American stock exchange and in any event does not include a "closed company" as defined in the *Securities Act* (Québec).

Qualifying CDE or **Qualifying Canadian Development Expense** means CDE which may be renounced as CEE to the Partnership pursuant to subsection 66(12.601) of the Tax Act.

Qualifying Jurisdictions means all of the provinces of Canada.

Québec Limited Partner means a Limited Partner that is resident in or subject to tax in Québec and that is a Limited Partner at the end of a fiscal year of the Partnership.

Québec Tax Act means the *Taxation Act* (Québec) and the regulations thereunder, as amended from time to time.

Renewable Energy Resource Companies means issuers whose shares are listed on a North American stock exchange or Private Issuers, in each case, whose principal business is renewable energy development and production that will give rise to incurring CRCE, and which are "principal-business corporations" as defined in subsection 66(15) of the Tax Act.

Resource Companies means, collectively, Mineral Resource Companies, Oil and Gas Resource Companies and Renewable Energy Resource Companies.

SIFT Partnership has the meaning ascribed thereto under "*Risk Factors - Tax-Related*".

Special Meeting means a special meeting of partners to be held to consider: (i) a matter that requires Limited Partner approval pursuant to applicable laws (including a Liquidity Alternative, but only if the Liquidity Alternative requires Limited Partner approval at a meeting pursuant to applicable laws); or (ii) any other matter considered appropriate by the General Partner.

Special Resolution means a resolution passed by 66⅔% or more of the votes cast in respect of such resolution at a duly constituted meeting of the Limited Partners called for the purpose of considering such resolution, at which a

quorum is present or, alternatively, a written resolution signed in one or more counterparts by Limited Partners holding 66⅔% or more of the Units outstanding and entitled to vote on such resolution at a meeting.

Subscription Price means the amount of $10.00 for each Unit pursuant to the Offering.

Tax Act means the *Income Tax Act* (Canada) and the regulations thereunder, as enacted and in force from time to time and, where appropriate, the applicable provincial counterpart (other than the Québec Tax Act).

Tax Proposals has the meaning ascribed thereto under "*Income Tax Considerations*".

Transfer Agent and Registrar means the transfer agent and registrar for the Units as determined by the General Partner from time to time, which currently is Norrep.

Transfer Agreement means the agreement dated April 28, 2017 between the Partnership and Norrep Opportunities that provides for one or more Mutual Fund Rollover Transactions, together with all amendments, supplements, restatements and replacements thereof from time to time.

Unit means a unit of Limited Partner's interest in the Partnership.

Valuation Date means the close of business on Friday of each week (or the close of business on the immediately preceding day if the particular Friday is not a business day) and the last business day of the month, and any other date on which Norrep elects, in its discretion, to calculate the Net Asset Value.

Warrants means common share purchase warrants that are acquired in connection with an investment in Flow-Through Shares pursuant to a unit offering comprised of Flow-Through Shares and common share purchase warrants but does not include flow-through warrants as defined in "Flow-Through Shares" above.

$ means Canadian Dollars.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this distribution and should be read together with the more detailed information and financial data contained elsewhere in this prospectus. Certain capitalized terms used but not defined in this summary are defined on the face page of this prospectus or in the glossary.

Issuer: Norrep Short Duration 2017 Flow-Through Limited Partnership, a limited partnership formed pursuant to the Partnership Act.

Maximum Offering: $25,000,000 (consisting of 2,500,000 Units)

Minimum Offering: $5,000,000 (consisting of 500,000 Units)

Price Per Unit: $10.00

Minimum Purchase: $5,000 (500 Units)

Investment Objectives: The Partnership's investment objective is to achieve capital appreciation by investing in Flow-Through Shares of Resource Companies. Resource Companies will agree to incur Eligible Expenditures in carrying out exploration and/or development in Canada and renounce Eligible Expenditures to the Partnership. The principal business of the Resource Companies will be: (i) oil and gas exploration, development and production; (ii) mineral exploration, development and production; or (iii) renewable energy development and production in Canada. See "*Investment Objectives*".

Investment Strategies: The Partnership's investment strategy is to acquire Flow-Through Shares issued by Resource Companies that, among other things: (i) have experienced management; (ii) have an exploration or development program in place; (iii) offer potential for future growth; and (iv) subject to certain exceptions, meet certain specified market capitalization criteria.

The Partnership will invest in Flow-Through Shares with a view to assembling a concentrated portfolio of high quality companies with significant potential for share price appreciation. The Partnership targets 70% of the Available Funds to be renounced to it as CDE and 30% as CEE or Qualifying CDE, although the actual allocation of the Available Funds may vary substantially from the targeted percentages. Other than being energy-focused, there is no intention to maintain any specific portfolio mix as the Portfolio Manager will target the best flow-through investments available in accordance with the Partnership's Investment Restrictions.

The purchase price of Flow-Through Shares is, depending on market conditions and other relevant factors, normally at a premium to the market price of the common shares of such issuers.

Norrep may, on behalf of the Partnership, sell Flow-Through Shares at any time if Norrep is of the opinion that it is in the best interests of the Partnership to do so, and may reinvest the proceeds from such dispositions in securities of Resource Companies or other issuers in or related to the oil and gas, mineral resource, or renewable energy sectors, such as pipeline, infrastructure, utilities, or service companies. Such investments are intended to allow the Partnership to capitalize on investment opportunities to maximize the investment return of Units. See "*Investment Strategies*".

Investment Restrictions:

The Partnership will invest the Available Funds in Flow-Through Shares of Resource Companies according to the following investment criteria:

Publicly listed Resource Companies	At least 90%
Resource Companies listed on the Toronto Stock Exchange	At least 25%
Resource Companies with a market capitalization in excess of $25 million	At least 50%
Any single Resource Company	Not more than 25% of the Gross Proceeds
Resource Companies that are Private Issuers	Not more than 10%
Oil and Gas Resource Companies	At least 70%
Mineral Resource Companies	Not more than 30%
Renewable Energy Resource Companies	Not more than 10%
Eligible Expenditures renounced as CEE, CDE, Qualifying CDE, or a combination thereof	100%

See "*Investment Restrictions*".

Uncommitted Funds:

Any Available Funds that have not been committed by the Partnership to purchase Flow-Through Shares on or before December 31, 2017, that are in excess of outstanding bank indebtedness and accrued interest thereon at that date, including amounts under the Loan Facility, will be distributed by January 15, 2018 on a *pro rata* basis to Limited Partners of record on December 31, 2017. See "*Use of Proceeds*".

Termination of the Partnership:

In order to provide Limited Partners with liquidity and potential for long-term growth of capital, the General Partner currently intends to implement the Liquidity Alternative on or before September 30, 2018 pursuant to the terms of the Transfer Agreement, subject to receipt of any required approvals. The General Partner currently intends to implement one or more Mutual Fund Rollover Transactions that will involve distributing the Partnership's assets (valued at Net Asset Value less the amount paid under the Performance Bonus) to one or more Mutual Funds in exchange for shares of the applicable Mutual Fund or Mutual Funds, which would be distributed to the Limited Partners participating in such Mutual Fund Rollover Transaction *pro rata* on a tax deferred basis in connection with the dissolution of the Partnership. If such transfer is completed, the Limited Partners would receive Mutual Fund shares (Series F shares of the applicable Mutual Fund unless otherwise selected by the Limited Partner), which will be redeemable at the option of the holder based upon the redemption price next determined after receipt by the Mutual Fund of the redemption notice. The Liquidity Alternative will not be implemented if it would prospectively or retroactively affect the status of the Flow-Through Shares as flow-through shares for income tax purposes.

A requirement to obtain approvals, including regulatory approvals, may arise in the situation where the Partnership does not implement a Liquidity Alternative as contemplated in this prospectus, but proposes to implement an alternative form of liquidity arrangement. The General Partner may call a meeting of the Limited Partners to approve a Liquidity Alternative upon different terms but intends to do so only if such other form of Liquidity Alternative is substantially different than described in this prospectus or if Limited Partner approval is required by NI 81-102. By acquiring Units, Limited Partners consent to the Liquidity Alternative and it is anticipated that no further approval from the Limited Partners will be sought or required unless the Liquidity Alternative is substantially different than described in this prospectus or if Limited Partner approval is required by NI 81-102. Although the approval of Limited Partners may not be obtained to implement the Liquidity Alternative, the Limited Partners will be sent written notice at least 60 days before the effective date of the Liquidity Alternative.

See "*Termination of the Partnership*".

There is no assurance that the Liquidity Alternative or any alternative transaction will be proposed, will receive any necessary approvals (including regulatory approvals), will be implemented or will be implemented on a tax-deferred basis.

Notwithstanding the foregoing, the Partnership Agreement also states that the Liquidity Alternative may be implemented or the Partnership may be terminated at a date later than September 30, 2018 or December 31, 2018 (as applicable) if the General Partner determines in its discretion that the Liquidity Alternative or termination of the Partnership cannot be practicably implemented by September 30, 2018 or December 31, 2018 (as applicable) or if to do so would be detrimental to the interests of Limited Partners or the Partnership, provided that the Partnership will within 30 months following the completion of the Offering undertake a reorganization with, or transfer of its assets to, one or more Mutual Funds that are managed by Norrep or by an Affiliate of Norrep. If the Partnership continues in operation beyond September 30, 2018 or December 31, 2018 (as applicable), Norrep will invest the net proceeds of any dispositions of Flow-Through Shares or other securities (after repayment of indebtedness, including any indebtedness that is a limited recourse amount, of the Partnership) in High Quality Money Market Instruments pending implementation of the Liquidity Alternative or termination of the Partnership (as applicable).

If the Liquidity Alternative is not implemented, upon termination of the Partnership, all of the Partnership's debts and liabilities will first be paid in full (including all amounts outstanding under the Loan Facility) and thereafter, the Partnership will pay all amounts owing to Norrep in respect of the Performance Bonus. After such payments, the net assets of the Partnership will be distributed to the Limited Partners and the General Partner. At the time of dissolution of the Partnership, its assets will mainly consist of cash and equity securities. See "*Securityholder Matters*", "*Termination of the Partnership*", "*Organization and Management Details of the Partnership – Conflicts of Interest*" and "*Risk Factors*".

Use of Proceeds:

This is a blind pool offering. The Gross Proceeds estimated to be realized from the sale of Units offered hereunder is as follows:

	Maximum Offering	**Minimum Offering**
Net Proceeds		
Gross Proceeds	**$25,000,000**	**$5,000,000**
Agents' Commission[(1)]	(**$1,437,500**)	(**$287,500**)
Estimated Expenses of the Offering[(2)]	(**$369,000**)	(**$100,000**)
Net Proceeds	**$23,193,500**	**$4,612,500**
Available Funds		
Operating Costs[(3)]	(**$432,883**)	(**$85,865**)
Loan Facility[(4)]	**$2,239,383**	**$473,365**
Available Funds[(5)]	**$25,000,000**	**$5,000,000**

Notes:

1. The Agents' commissions will be paid by the Partnership from funds borrowed under the Loan Facility. See "*Fees and Expenses – Initial Fees and Expenses*" and "*Securityholder Matters – Limited Recourse Financings*".

2. The expenses of the Offering will be paid by the Partnership from funds borrowed under the Loan Facility. Norrep will pay a portion of the expenses of the Offering (exclusive of the Agents' commissions) that are in excess of 2.00% of the Gross Proceeds. See "*Fees and Expenses – Initial Fees and Expenses*".

3. An amount will be borrowed under the Loan Facility to fund the Operating Costs (which includes the Management Fee). See "*Fees and Expenses – Ongoing Expenses*" and "*Fees and Expenses – Management Fee*".

4. The Partnership may borrow an amount up to 10% of the Gross Proceeds pursuant to the Loan Facility to finance the Agents' commission, expenses of the Offering and the Operating Costs. The interest rates, fees and expenses under the Loan Facility are expected to be typical of credit facilities of this nature and the Partnership will provide a security interest in the assets held by the Partnership in favour of the Lender to secure such borrowings. See "*Investment Strategies – Loan Facility*".

5. The Available Funds are expected to be $5,000,000 in the case of the minimum Offering and $25,000,000 in the case of the maximum Offering as the Agents' commission, expenses of the Offering and the Operating Costs will be paid from funds borrowed under the Loan Facility. See "*Use of Proceeds*" and Note 4 above.

The Partnership will use the Gross Proceeds to subscribe for Flow-Through Shares of Resource Companies in accordance with the investment criteria and restrictions set out under "*Investment Strategies*". See also "*Use of Proceeds*" and "*Risk Factors*".

Cash Distributions: Norrep may, on behalf of the Partnership, sell Flow-Through Shares at any time if Norrep is of the opinion that it is in the best interests of the Partnership to do so. The Partnership Agreement provides that the Partnership will not make any distributions unless otherwise determined appropriate by the General Partner in its discretion. There is no assurance that any distributions will be sufficient to satisfy a Limited Partner's tax liability for the year arising from its status as a Limited Partner. See "*Distribution Policy – Cash Distributions*" and "*Organization and Management Details of the Partnership – Details of the Investment Management Agreement*".

Loan Facility: Prior to the Initial Closing Date, the Partnership intends to enter into the Loan Facility with the Lender to finance the payment of the Agents' commission, the expenses of the Offering and the Operating Costs (which includes the Management Fee) in order to maximize the allocation of Gross Proceeds toward the purchase of Flow-Through Shares. As at the date of this prospectus, no amount of indebtedness was outstanding under the Loan Facility.

Pursuant to the Loan Facility, the Partnership will be able to borrow a maximum of 10% of the Gross Proceeds, provided that at all times the aggregate of all advances under the Loan Facility shall not exceed 25% of the Partnership's Net Asset Value. Accordingly, the maximum amount of leverage that the Partnership could be exposed to at any time pursuant to the Loan Facility is 1.25:1 ((total long positions (including leveraged positions) plus total short positions) divided by the net assets of the Partnership).

Norrep will pay the expenses of the Offering (exclusive of the Agents' commissions) that are in excess of 2% of the Gross Proceeds of the Offering. The interest rates, fees and expenses under the Loan Facility are expected to be typical of credit facilities of this nature, and the Partnership will provide a security interest in the assets held in the Partnership in favour of the Lender to secure such borrowings. Other than the borrowing by the Partnership under the Loan Facility, the Partnership will not engage in any other borrowings.

Prior to the earlier of the completion of a Liquidity Alternative or the dissolution of the Partnership, the Partnership will repay the Loan Facility and any of the debt obligations described hereunder by selling the securities of certain Resource Companies in which the

Partnership has invested. All amounts outstanding under the Loan Facility and any of the debt obligations described hereunder, including all interest accrued thereon, will be repaid in full. See "*Investment Strategies – Loan Facility*".

Allocations:

Income will be allocated at the end of each Fiscal Year on the basis of 99.99% to the Limited Partners of record on December 31 of each such Fiscal Year and 0.01% to the General Partner. Losses will be allocated *pro rata* at the end of each Fiscal Year on the basis of 100% to the Limited Partners of record on December 31 of each such Fiscal Year. 100% of the Eligible Expenditures renounced to the Partnership will be allocated *pro rata* to the Limited Partners of record on December 31, 2017 and the Partnership will make all filings in respect of such allocations as are required by the Tax Act. On dissolution of the Partnership, after settling any credit balances in the capital accounts of any of the Limited Partners and repayment of all amounts outstanding under the Loan Facility, including accrued interest thereon, Limited Partners will be entitled to 99.99% of the assets of the Partnership and the General Partner will be entitled to 0.01% of such assets. See "*Securityholder Matters*".

Income Tax Considerations:

In general, a taxpayer (other than a principal-business corporation as defined in subsection 66(15) of the Tax Act) who is a Limited Partner at the end of a Fiscal Year of the Partnership may, subject to the "at-risk" and limited recourse financing rules, deduct in computing the taxpayer's income for the taxation year in which the Fiscal Year of the Partnership ends an amount equal to 100% of Eligible Expenditures (including Qualifying CDE) renounced to the Partnership as CEE and allocated to the Limited Partner by the Partnership in respect of the Fiscal Year and an amount equal to 30% of Eligible Expenditures renounced to the Partnership as CDE and allocated to the Limited Partner in respect of the Fiscal Year. If the taxpayer is an individual (other than a trust), the taxpayer may receive a non-refundable 15% federal tax credit for such allocated and renounced CEE that is incurred or deemed incurred in qualifying mining exploration activities, if any. If no Liquidity Alternative is implemented, it is anticipated that, on the dissolution of the Partnership, each Limited Partner will acquire an undivided interest in each property of the Partnership, including shares and warrants of Resource Companies (including Flow-Through Shares). It is assumed that each share and warrant will thereafter be partitioned and each Limited Partner will be allocated its *pro rata* share of each share and warrant. The shares or warrants that the Partnership has acquired as Flow-Through Shares will have a nil cost for tax purposes.

Each Investor should consult its own tax advisors as to the federal and provincial tax consequences of an investment in Units pursuant to the Offering. See "*Income Tax Considerations*".

Conflicts of Interest:

Affiliates of the General Partner (including Norrep and Norrep Group) and/or directors, officers or shareholders thereof may engage in the promotion, management or investment management of other funds, partnerships or other vehicles, including vehicles that may invest in securities (flow-through or otherwise) of entities that include Resource Companies in which the Partnership invests, and various other conflicts of interest exist or may arise between the Partnership and the General Partner and/or Norrep and/or other partnerships or entities of which Affiliates of the General Partner (including Norrep and Norrep Group) or their officers or directors are general partners, act as manager or own securities. See "*Organization and Management Details of the Partnership – Conflicts of Interest*".

Eligibility for Investment:

In the opinion of WeirFoulds LLP and McCarthy Tétrault LLP the Units are **not** qualified investments for trusts governed by registered retirement savings plans, registered retirement income funds, registered disability savings plans, deferred profit sharing plans, registered education savings plans or tax-free savings accounts for purposes of the Tax

Act. See "*Eligibility for Investment*".

Risk Factors: **THIS IS A SPECULATIVE OFFERING. THIS IS A BLIND POOL OFFERING.** There is currently no market through which the Units may be sold and no market is expected to develop.

The purchase of Units involves a number of significant risks. Investors should consider the following risk factors and the additional risk factors outlined under "*Risk Factors*" and all other information contained in this prospectus before making an investment decision:

(a) **Liquidity.** There is no market through which the Units may be sold and purchasers may not be able to resell the Units purchased under this prospectus.

(b) **Liquidity Alternative.** There is no assurance that the Liquidity Alternative or any alternative transaction will be proposed, will receive any necessary approvals (including regulatory approvals), will be implemented or will be implemented on a tax-deferred basis.

(c) **Mutual Fund Securities.** In the event that a Liquidity Alternative is implemented, Limited Partners will receive shares in one or more Mutual Funds, which will be subject to various risk factors.

(d) **Blind Pool.** This is a blind pool offering. The specific Flow-Through Shares of Resource Companies in which the Partnership will invest the Available Funds have not been identified as of the date of this prospectus and will not be identified until after the Initial Closing Date.

(e) **Reliance on the General Partner and Norrep.** The Partnership and the General Partner have no previous operating or investment history. Investors who are not willing to rely on the sole discretion and judgement of the General Partner and Norrep should not subscribe for Units.

(f) **Underlying Securities.** Generally, the value of Units will vary in accordance with the value of the securities acquired by the Partnership. The value of securities owned by the Partnership may be affected by such factors as investor demand, resale restrictions, general market trends or regulatory restrictions.

(g) **Premium Pricing, Resale and Other Restrictions Pertaining to Flow-Through Shares.** Flow-Through Shares generally will be issued to the Partnership at prices greater than the market prices of comparable ordinary common shares not qualifying as Flow-Through Shares and will be subject to resale restrictions (generally lasting for four months).

(h) **Narrow Investment Focus and Concentration of Investments.** The Net Asset Value of the Partnership may be more volatile than that of portfolios with a more diversified investment focus and portfolios that are more diversified in terms of the number of investments.

(i) **The Portfolio will include securities of Junior Issuers.** A significant portion of the Available Funds may be invested in securities of junior Resource Companies, although at least 50% will be invested in Resource Companies with a market capitalization of in excess of $25 million and at least 25% will be invested in Resource Companies listed and posted for trading on the TSX. Securities of junior issuers may involve greater risks than investments in larger,

more established companies.

(j) **Flow-Through Shares.** There is no assurance that the Partnership will be able to commit all Available Funds to purchase Flow-Through Shares on or before December 31, 2017. There is no assurance that Resource Companies will honour their obligations to incur and renounce Eligible Expenditures.

(k) **Loan Facility.** In order to maximize the allocation of Gross Proceeds towards the purchase of Flow-Through Shares, the Partnership will be able to borrow, to a maximum of 10% of the Gross Proceeds, an amount equal to the Agents' commission, the expenses of the Offering and the ongoing expenses of the Partnership, provided that at all times the aggregate of all advances under the Loan Facility shall not exceed 25% of the Partnership's Net Asset Value. There is no assurance that the borrowing strategy employed by the Partnership will enhance returns.

(l) **Regulatory Environment.** Oil and gas operations, mining operations and renewable energy programs may be affected from time to time in varying degrees due to political and environmental developments such as tax increases, expropriation of property and changes in conditions under which oil and gas, precious metals, minerals and renewable energy products may be developed, produced and exported.

(m) **Resale of Securities.** In some cases, the securities owned by the Partnership, may be affected by such factors as investor demand, resale restrictions, general market trends, lack of liquid market or regulatory restrictions.

(n) **Global Economic Downturn.** In the event of a continued general economic downturn or a recession, there is no assurance that the business, financial conditions and results of operations of the Resource Companies in which the Partnership invests would not be materially adversely affected.

(o) **Oil and Natural Gas Prices.** The Partnership will be affected by fluctuations in oil and natural gas prices as a result of investing in Flow-Through Shares of Resource Companies that are primarily involved in oil and natural gas exploration and production.

(p) **Industry Conditions, Competition and Considerations.** Substantial adverse or ongoing economic, business, government or political conditions in various world markets, including the potential for significant fluctuations in the prices of oil and gas, precious metals and minerals may have a negative impact on the ability of the Resource Companies to operate profitably.

(q) **Eligible Expenditures.** There is no assurance that Resource Companies will honour their obligation to incur and renounce Eligible Expenditures, that amounts renounced will qualify as CDE or CEE or that the Partnership will be able to recover any losses suffered as a result of such a breach of such obligation by a Resource Company.

(r) **Tax-Related Risks.** Regardless of any tax benefits that may be obtained, a decision to purchase Units should be based primarily on an appraisal of the merits of the investment and on an Investor's ability to bear a loss of its investment. Investors acquiring Units with a view to obtaining tax advantages should obtain independent tax advice from a tax advisor who is knowledgeable

in the area of income tax law.

(s) **The Liberal CEE Initiative.** The Liberal CEE Initiative may reduce or eliminate the tax benefit of investing in flow-through shares. See "*Forward-Looking Statements*".

(t) **Available Capital.** If the Gross Proceeds are significantly less than the maximum Offering, the expenses of the Offering and the ongoing administrative expenses and interest expense payable by the Partnership may result in a substantial reduction or even elimination of the returns which would otherwise be available to the Partnership.

(u) **Limited Liability of Limited Partners.** Limited Partners may lose their limited liability in certain circumstances, including by taking part in the control or management of the business of the Partnership.

(v) **Conflicts of Interest.** The General Partner, Norrep, certain of their Affiliates, certain limited partnerships whose general partner is or will be an Affiliate of Norrep, and their directors and officers are or may in the future be actively engaged in a wide range of investment and management activities, some of which are or will be similar to and in competition with the business of the Partnership and the General Partner.

(w) **Short Selling.** The Partnership may short sell and maintain short positions in securities for the purpose of hedging which may expose the Partnership to significant losses if the value of the securities sold short increases.

(x) **Use of Derivatives.** The Partnership may purchase or sell options on securities owned by the Partnership in certain circumstances and may realize a loss as a result of such derivatives.

ORGANIZATION AND MANAGEMENT OF THE PARTNERSHIP

General Partner: The General Partner is a private corporation incorporated under the laws of the Province of Alberta. All of the voting shares of the General Partner are held by Norrep Group. See "*Organization and Management Details of the Partnership – The General Partner*".

Promoter: Norrep Group of Calgary, Alberta is the promoter of the Partnership within the meaning of Applicable Securities Laws. Norrep Group will not be compensated in its capacity as promoter of the Partnership. Norrep Group beneficially owns all of the voting shares of the General Partner and Norrep. See "*Interest of Management and Others in Material Transactions*".

Transfer Agent and Registrar: Norrep will act as Transfer Agent and Registrar of the Partnership. The address of Norrep is 1100, 606 - 4 Street SW, Calgary, Alberta, T2P 1T1. The Transfer Agent and Registrar will provide service as transfer agent and registrar with respect to maintaining the register of Limited Partners.

Custodian: CIBC Mellon Trust Company will be appointed the custodian of the Partnership's account pursuant to the Custodian Agreement. The Custodian may employ sub-custodians as considered appropriate in the circumstances. The Custodian is unrelated to Norrep. The address of the Custodian is 320 Bay Street, P.O. Box 1, 6th Floor, Toronto, Ontario, M5H 4A6.

Auditor:	The auditor of the Partnership is KPMG LLP, Chartered Professional Accountants, Suite 3100, 205 – 5th Avenue S.W., Calgary, Alberta, T2P 4B9. The auditor is unrelated to Norrep.
Fund Manager:	Norrep is the Fund Manager of the Partnership and will provide managerial and administrative services directing the day to day business and affairs of the Partnership on behalf of the General Partner. The address of Norrep is 1100, 606 - 4 Street SW, Calgary, Alberta, T2P 1T1. See "*Organization and Management Details of the Partnership – The Fund Manager and Portfolio Manager*".
Portfolio Manager:	Norrep is the Portfolio Manager of the Partnership and will provide advice on investments and manage the Partnership's investment portfolio. The address of Norrep is 1100, 606 - 4 Street SW, Calgary, Alberta, T2P 1T1. See "*Organization and Management Details of the Partnership – The Fund Manager and Portfolio Manager*".

AGENTS

The Agents of the Offering are, collectively BMO Nesbitt Burns Inc., CIBC World Markets Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Scotia Capital Inc., TD Securities Inc., GMP Securities L.P., Raymond James Ltd., Canaccord Genuity Corp., Desjardins Securities Inc., Industrial Alliance Securities Inc., Laurentian Bank Securities Inc. and Manulife Securities Incorporated. The Agents conditionally offer the Units, subject to prior sale, on a "best efforts" basis, if, as and when issued by the Partnership and accepted by the Agents in accordance with the conditions contained in the Agency Agreement, and subject to the approval of certain legal matters by WeirFoulds LLP on behalf of the Partnership and McCarthy Tétrault LLP on behalf of the Agents. See "*Plan of Distribution*".

SUMMARY OF FEES AND EXPENSES

The following is a summary of the fees and expenses, payable by the Partnership, which will therefore reduce the value of your investment in the Partnership. For further particulars, see "*Fees and Expenses – Initial Fees and Expenses*", "*Fees and Expenses – Ongoing Expenses*", "*Fees and Expenses – Performance Bonus*", "*Fees and Expenses – Management Fee*" and "*Plan of Distribution*".

TYPE OF FEE	AMOUNT AND DESCRIPTION
Fees Payable to the Agents for Selling the Units:	Commissions of $0.575 per Unit, equal to 5.75% of the Gross Proceeds, will be paid to the Agents as described under "*Plan of Distribution*" from funds borrowed by the Partnership under the Loan Facility for such purpose.
Expenses of the Offering:	Offering expenses, other than the Agents' commission, will also be paid from funds borrowed by the Partnership under the Loan Facility to the extent that such expenses do not in the aggregate exceed 2% of the Gross Proceeds. Norrep has agreed to pay all expenses of the Offering (exclusive of Agents' commission) that exceed 2% of the Gross Proceeds. Accordingly, the expenses are estimated to be $369,000 in the case of the Maximum Offering, and $100,000 in the case of the Minimum Offering.

Management Fees:	Norrep, as the Fund Manager, is entitled to an annual management fee equal to 2.00% of the Net Asset Value of the Partnership, calculated and paid monthly, commencing on the Initial Closing Date, and such fee will be paid to the Fund Manager from funds borrowed by the Partnership under the Loan Facility. Norrep will not receive any fees for acting as Portfolio Manager. In the event another person is appointed as Portfolio Manager, the Fund Manager will be responsible for all fees paid to the Portfolio Manager, and such fees will be payable from the Management Fee.
Performance Bonus:	Norrep, as the Fund Manager, is entitled to a fee on the Performance Bonus Date equal to the product of: (1) 20% of the amount by which (i) the sum of (A) the Net Asset Value per Unit on the Performance Bonus Date and (B) all distributions per Unit during the Performance Bonus Period, exceeds (ii) the sum of $10.00 plus appreciation thereon at the rate of 8% per annum, compounded annually, during the Performance Bonus Period; and (2) the number of Units outstanding on the Performance Bonus Date.
Portfolio Manager Fees:	Norrep will not receive any fees for acting as Portfolio Manager. If another person is appointed as Portfolio Manager then the Fund Manager will be responsible for all fees paid to the Portfolio Manager, and such fees will be payable from the Management Fee.
Ongoing Expenses:	The Partnership will pay, from funds borrowed by the Partnership under the Loan Facility, all of its administrative and operating expenses and the ongoing Management Fee payable to Norrep. The expenses will include administration fees, loan fees and related interest charges in connection with the Loan Facility, custodial fees, expenses relating to portfolio transactions, taxes, legal audit and valuation fees, Limited Partner reporting costs, printing and mailing costs, and costs to be incurred in connection with the Partnership's continuous public filing obligations. Administrative and operating expenses of the Partnership are estimated to be approximately $32,200 per annum in the case of the minimum Offering and $169,506 per annum in the case of the maximum Offering (excluding the Management Fee and expenses relating to portfolio transactions). The Fund Manager will pay all expenses related to implementing the Liquidity Alternative.

ILLUSTRATION OF POSSIBLE TAX DEDUCTIONS

Limited Partners at the end of each calendar year will be entitled to benefit from deductions for income tax purposes as a result of the use of Available Funds to purchase Flow-Through Shares.

The following table has been prepared by Norrep and illustrates possible tax deductions, based on the notes and assumptions set forth below, for a Limited Partner who is an individual (other than a trust) who has invested $10,000 to acquire Units pursuant to the Offering, who continues to hold such Units and to whom the summary of the principal income tax considerations set forth herein is applicable. See "*Income Tax Considerations*". Actual tax deductions for an Investor could be significantly lower than those shown in the table.

The following calculations and assumptions do not constitute a forecast, projection, estimate of possible results, contractual undertaking or guarantee. An investment in Units is appropriate only for Investors who have the capacity to absorb a loss of their investment. Investors who are not willing to rely on the sole discretion and judgement of the General Partner which has, and is expected to have, only nominal assets, should not subscribe for Units. The tax benefits resulting from an investment in the Partnership are greatest for an Investor whose income is subject to the

highest marginal income tax rate. Regardless of any tax benefits that may be obtained, a decision to purchase Units should be based primarily on an appraisal of the merits of the investment and on an Investor's ability to bear a loss of its investment. Investors acquiring Units with a view to obtaining tax advantages should obtain independent tax advice from a tax advisor who is knowledgeable in the area of income tax law.

In order to qualify for income tax deductions available in respect of a particular Fiscal Year, an Investor must be a Limited Partner at the end of the Fiscal Year. It is assumed that the Limited Partner will hold the Limited Partner's Units throughout all periods. Investors should be aware that these calculations are based on assumptions by the General Partner which cannot be represented to be complete or accurate in all respects. The following tables were prepared by the General Partner and are not based on an independent opinion rendered by an accountant or lawyer.

	Maximum Offering $25,000,000			
Taxation year	**2017**	**2018**	**2019 and Beyond**	**Total**
Investment	$10,000	$ -	$ -	$10,000
Income Tax Deductions:				
Resource Companies				
CEE and Qualifying CDE	3,000	-	-	3,000
CDE	2,100	1,470	3,430	7,000
Agents' commissions and other offering expenses	-	145	578	723
Management fees, administrative and interest expense and interest income (net)	-	442	-	442
Aggregate deductions for income tax purposes	5,100	2,057	4,008	11,165
Taxable capital gains to be reported (note 6)	-	582	-	582
Net income tax savings (note 7)	2,576	745	2,024	5,345
Break-even proceeds: (note 8)				
Initial investment				$10,000
Net income tax savings from above				($5,345)
Income taxes on disposition of securities				$1,569
Proceeds on disposition of securities required to break-even				$6,224
Downside cushion (note 9)				$3,776
Money at-risk (note 10)				$4,655

	Minimum Offering $5,000,000			
Taxation year	**2017**	**2018**	**2019 and Beyond**	**Total**
Investment	$10,000	$ -	$ -	$10,000
Income Tax Deductions:				
Resource Companies				
CEE and Qualifying CDE	3,000	-	-	3,000
CDE	2,100	1,470	3,430	7,000
Agents' commissions and other offering expenses	-	155	620	775
Management fees, administrative and interest expenses and interest income (net)	-	434	-	434
Aggregate deductions for income tax purposes	5,100	2,059	4,050	11,209
Taxable capital gains to be reported (note 6)	-	605	-	605
Net income tax savings (note 7)	2,576	734	2,045	5,355
Break-even proceeds: (note 8)				
Initial investment				$10,000
Net income tax savings from above				($5,355)
Income taxes on disposition of securities				$1,565
Proceeds on disposition of securities required to break-even				$6,210
Downside cushion (note 9)				$3,790
Money at-risk (note 10)				$4,645

The following assumptions form an integral part of the calculations in the above illustration of possible income tax deductions:

1. After taking into consideration the limited recourse Loan Facility, which will be drawn down to pay the Agents' commission, expenses of the Offering and Operating Costs, $25,000,000 in the case of the maximum Offering and $5,000,000 in the case of the minimum Offering will be expended on Eligible Expenditures.

2. Investing and renouncing assumptions:

   The Available Funds will be invested in Flow-Through Shares of Resource Companies. It is assumed for the purposes of this table that 70% of the Eligible Expenditures renounced will be CDE, and 30% of the Eligible Expenditures renounced will be CEE or Qualifying CDE. There is no assurance and no representation made that the Eligible Expenditures renounced as CEE, Qualifying CDE, or CDE will be renounced in these proportions. Also, it is assumed that no CEE will be incurred in Québec by the Resource Companies. All renunciations will be effective December 31, 2017. No further investments in Eligible Expenditures will be made in years two and three.

3. Assumes a 2017 fiscal year of 10 months, commencing March 1, 2017 and ending December 31, 2017.

4. Assumes that the Loan Facility will be drawn down to pay the Agents` commissions, expenses of the Offering, and the Operating Costs, and will be fully and finally repaid in the second year. No deductions are made for the Agents' commissions, expenses of the Offering, or the Operating Costs in 2017 as the deductions are contingent on repayment of the Loan Facility.

5. Assumes that the Operating Costs are 100% deductible in the year that the limited recourse Loan Facility is fully and finally repaid and that the Agents' commissions and expenses of the Offering are deductible at 20% per year commencing in the year that the limited recourse Loan Facility is fully and finally repaid and that Limited Partners will be able to deduct the Agents' commissions and expenses of the Offering after the dissolution of the Partnership, as applicable.

6. Assumes 50% of capital gains are included in computing the Limited Partner's taxable income. See "*Income Tax Considerations – Computation of Income of Limited Partners*".

7. Assumes a marginal tax rate of 50.5%. Future federal or provincial budgets may modify tax rates. The actual tax savings/cost for a Limited Partner will vary from the estimates set forth above depending on the Limited Partner's actual marginal tax rate. Based on currently legislated tax rates for 2017, the highest combined federal and provincial individual tax rates on a province-by-province basis that are anticipated to apply in 2017 are approximately as follows:

Province	**Rate**
Alberta	48.00%
British Columbia	47.70%
Manitoba	50.40%
Ontario	53.53%
Québec	53.31%
Saskatchewan	48.00%
New Brunswick	53.30%
Nova Scotia	54.00%
Prince Edward Island	51.37%
Newfoundland	51.30%

Future federal and provincial budgets may modify these rates.

8. Break-even proceeds is the amount of money that must be received on disposition of securities which, when added to the income tax savings and netted against the income taxes payable upon disposition of securities equals the Investor's initial investment. Upon disposition of securities, it is assumed that 50% of the proceeds of disposition is taxable at 50.5%.

9. Downside cushion is the maximum loss that can be sustained such that the Investor would recover his initial $10,000 investment. Net income tax savings plus final proceeds received on disposition of securities net of income taxes paid on disposition of securities equal $10,000.

10. Money at-risk is calculated as total investment by the Limited Partner less income tax savings from deductions.

11. The schedule of possible tax deductions does not take into consideration the impact of provincial tax credits, if any. No portion of the Eligible Expenditures is eligible for any federal investment tax credit.

12. The calculations assume no CEE qualifying as "flow-through mining expenditures" eligible for a 15% federal investment tax credit or CEE qualifying for provincial tax credit are renounced by Resource Companies to the Partnership; however, the money at-risk and break-even proceeds of disposition may be reduced if the Partnership invests in Flow-Through Shares of Resource Companies engaged in Canadian mining exploration.

13. The calculations assume that the Limited Partner is not liable for the alternative minimum tax. See "*Income Tax Considerations – Alternative Minimum Tax*".

14. The calculations do not take into account the time value of money. Any present value calculation should take into account the time of cash flows, the Investor's present and future tax position and any change in market value of the portfolio held by the Partnership.

15. The deductions of the Agents' commissions and other expenses of the Offering and the Operating Costs may be realized by the Limited Partner and not within the Partnership depending on the date the Liquidity Alternative is implemented.

16. The tables above were prepared by Norrep and are not based on an independent opinion rendered by an accountant or lawyer. However, the derivation of the tables (and the related notes and assumptions) is consistent with the contents of the tax opinion provided under the heading "*Income Tax Considerations*". The calculations are based on the estimates, assumptions and notes set forth above and the actual tax savings, money at-risk and break-even proceeds of disposition may be different than shown above.

17. The actual annual tax deductions available to a Limited Partner may vary significantly from the amounts set out in the above illustration due to a variety of factors, including the failure of the Partnership to fully invest the Available Funds, amounts renounced by the Resource Companies to the Partnership failing to qualify as Eligible Expenditures, a reduction in Eligible Expenditures which may be renounced to the Limited Partners due to limited-recourse borrowings by Limited Partners or changes in applicable income tax legislation. See "*Forward-Looking Statements*" and "*Risk Factors*".

18. It is assumed that for Québec provincial tax purposes only, a Québec Limited Partner who is an individual (including a personal trust) has investment income that exceeds his or her investment expenses for a given year. For these purposes, investment expenses include certain interest, losses of the Québec Limited Partner and 50% of CEE incurred outside Québec and deducted for Québec tax purposes by such Québec Limited Partner. See "*Income Tax Considerations – Certain Québec Tax Considerations*".

Under the terms of the Partnership Agreement, the Partnership will use its best efforts to invest all Available Funds in Flow-Through Shares of Resource Companies on or before December 31, 2017. With regard to Available Funds, the Partnership Agreement provides that the Partnership will not enter into any Flow-Through Investment Agreement which contemplates that Eligible Expenditures will be (A) incurred by the Resource Companies: (i) after December 31, 2018 in the case of Eligible Expenditures that constitute CEE or Qualifying CDE; or (ii) after December 31, 2017 in the case of Eligible Expenditures which constitute CDE; or (B) renounced by the Resource Companies with an effective date later than December 31, 2017.

There is no assurance that all Available Funds will be committed to purchase Flow-Through Shares on or before December 31, 2017 or that amounts renounced by Resource Companies to the Partnership will qualify as Eligible Expenditures in the anticipated proportions. Either of these occurrences will reduce the amount of tax deductions to which Limited Partners may be entitled. In the event that Limited Partners acquire Units using limited recourse borrowing for tax purposes, the amount of Eligible Expenditures and/or Losses allocated to a Limited Partner will be reduced. As well, the alternative minimum tax could limit tax benefits available to Limited Partners.

Finally, subject to the terms of the Loan Facility, any Available Funds in Flow-Through Shares that have not been committed by the Partnership to purchase Flow-Through Shares on or before December 31, 2017, that are in excess of any outstanding bank indebtedness and accrued interest thereon at that date, will be distributed by January 15, 2018 on a *pro rata* basis to Limited Partners of record on December 31, 2017, without interest or deduction. The distribution of such amounts has not been taken into account in the above illustration.

See also "*Income Tax Considerations*" and "*Risk Factors*".

OVERVIEW OF THE LEGAL STRUCTURE OF THE PARTNERSHIP

The Partnership was formed under the laws of the Province of Alberta pursuant to the Partnership Act on March 14, 2017 as Norrep Short Duration 2017 Flow-Through Limited Partnership. The principal place of business of the Partnership is 1100, 606 - 4 Street SW, Calgary, Alberta, T2P 1T1 and its registered office is located at Suite 600, 815 – 8th Avenue S.W., Calgary, Alberta, T2P 3P2.

The Partnership is not considered a mutual fund under Applicable Securities Laws, but is regulated as a non-redeemable investment fund.

INVESTMENT OBJECTIVES

The Partnership's investment objective is to achieve capital appreciation by investing in Flow-Through Shares of Resource Companies whose shares are listed on a North American stock exchange and Flow-Through Shares of Resource Companies that are Private Issuers. Resource Companies will agree to incur Eligible Expenditures in carrying out exploration and/or development in Canada and renounce Eligible Expenditures to the Partnership. The principal business of the Resource Companies will be: (i) oil and gas exploration, development and production; (ii) mineral exploration, development and production; or (iii) renewable energy development and production in Canada, with the relative weightings between sectors being dependent on prevailing market conditions, subject to certain restrictions. See "*Investment Restrictions*".

The Partnership will use its best efforts to invest all Available Funds in Flow-Through Shares of Resource Companies on or before December 31, 2017. See "*Use of Proceeds*". Limited Partners who have sufficient income, subject to certain limitations, will be entitled to claim certain deductions from income for Canadian income tax purposes. The Partnership targets 70% of the Available Funds to be renounced to it as CDE and 30% as CEE or Qualifying CDE, although the actual allocation of the Available Funds may vary substantially from the targeted percentages. If the actual allocation of Available Funds matches the targeted 70% CDE/ 30% CEE, Limited Partners could expect to claim tax deductions in respect of resource expenditures renounced to the Partnership equal to approximately 50% of the Available Funds for the 2017 taxation year, 15% of the Available Funds for the 2018 taxation year, and approximately 35% of the Available Funds in the following taxation years. Limited Partners could expect to claim additional tax deductions in respect of other expenses of the Partnership as further described in this Prospectus.

INVESTMENT STRATEGIES

To achieve the Partnership's objective of capital appreciation for Limited Partners, the Partnership Agreement provides that the Partnership's investment strategy is to acquire Flow-Through Shares issued by Resource Companies that, among other things: (i) have experienced management; (ii) have an exploration or development program in place; (iii) offer potential for future growth; and (iv) subject to certain exceptions, meet certain specified market capitalization criteria. Norrep will achieve this through a combination of fundamental and quantitative research, both at the company and industry level.

The Partnership will invest in Flow-Through Shares with a view to assembling a concentrated portfolio of high quality companies with significant potential for share price appreciation. The Partnership targets 70% of the Available Funds to be renounced to it as CDE and 30% as CEE or Qualifying CDE, although the actual allocation of the Available Funds may vary substantially from the targeted percentages. Other than being energy-focused, there is no intention to maintain any specific portfolio mix as Norrep will target the best flow-through investments available in accordance with the Partnership's investment guidelines. Despite the possible changes to the deductibility of CEE related to exploration for fossil fuels, as contemplated under the Liberal CEE Initiative, Norrep believes that its ability to invest in any combination of CDE, CEE or Qualifying CDE sufficiently mitigates such risk. See "*Forward-Looking Statements*".

The purchase price of Flow-Through Shares is, depending on market conditions and other relevant factors, normally at a premium to the market price of the common shares of such issuers.

Norrep may, on behalf of the Partnership, sell Flow-Through Shares at any time if Norrep is of the opinion that it is in the best interests of the Partnership to do so, and may reinvest the proceeds from such dispositions in securities of Resource Companies or other issuers in or related to the oil and gas, mineral resource, or renewable energy sectors, such as pipeline, infrastructure, utilities, or service companies. Such investments are intended to allow the Partnership to capitalize on investment opportunities to maximize the investment return of Units.

Loan Facility

Prior to the Initial Closing Date, the Partnership intends to enter into the Loan Facility with the Lender to finance the payment of the Agents' commission, the expenses of the Offering and the Operating Costs (which includes the Management Fee) in order to maximize the allocation of Gross Proceeds toward the purchase of Flow-Through Shares. As at the date of this prospectus, no amount of indebtedness was outstanding under the Loan Facility.

Pursuant to the Loan Facility, the Partnership will be able to borrow a maximum of 10% of the Gross Proceeds, provided that at all times the aggregate of all advances under the Loan Facility shall not exceed 25% of the Partnership's Net Asset Value. Accordingly, the maximum amount of leverage that the Partnership could be exposed to at any time pursuant to the Loan Facility is 1.25:1 ((total long positions (including leveraged positions) plus total short positions) divided by the net assets of the Partnership).

Norrep will pay the expenses of the Offering (exclusive of the Agents' commissions) that are in excess of 2% of the Gross Proceeds of the Offering. The interest rates, fees and expenses under the Loan Facility are expected to be typical of credit facilities of this nature, and the Partnership will provide a security interest in the assets held in the Partnership in favour of the Lender to secure such borrowings. Other than the borrowing by the Partnership under the Loan Facility, the Partnership will not engage in any other borrowings.

Prior to the earlier of the completion of a Liquidity Alternative or the dissolution of the Partnership, the Partnership will repay the Loan Facility and any of the debt obligations described hereunder by selling the securities of certain Resource Companies in which the Partnership has invested. All amounts outstanding under the Loan Facility and any of the debt obligations described hereunder, including all interest accrued thereon, will be repaid in full.

Short Selling

The Partnership may employ exit strategies, which may include short sales when an appropriate selling opportunity arises in order to "lock-in" the resale price of Flow-Through Shares or other securities, if any, of Resource Companies held in the Partnership's investment portfolio.

Derivatives

The Partnership may invest in or use derivative instruments solely for the purpose of hedging securities held in the Partnership's investment portfolio that are subject to resale restrictions.

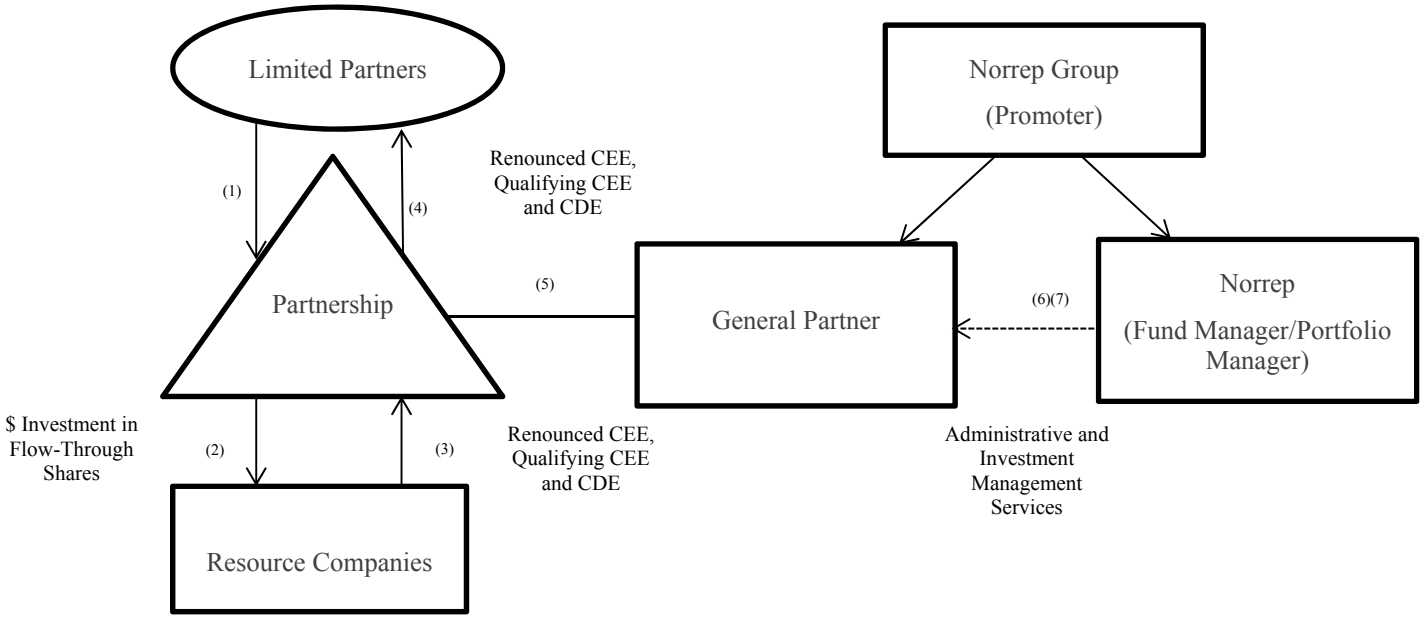
Overview of the Investment Structure

For information on the overall structure of the underlying investment or investments to be made by the Partnership, including any direct or indirect investment exposure, see "*Investment Strategies*" and "*Organization and Management Details of the Partnership*".

The Partnership intends to enter into Flow-Through Investment Agreements with Resource Companies to acquire Flow-Through Shares. Pursuant to the terms of such agreements, Resource Companies from which the Partnership purchases Flow-Through Shares will be obligated to incur exploration and development expenditures that qualify as Eligible Expenditures. The Flow-Through Investment Agreements entered into with Resource Companies will require each Resource Company to represent and warrant therein that neither it, nor any person who does not deal at arm's length with such Resource Company, is a Limited Partner or the General Partner. The Flow-Through Investment Agreements entered into with Resource Companies will require the Resource Companies to incur and renounce to the Partnership Eligible Expenditures in an amount equal to the subscription price of which a specified amount shall be CEE or Qualifying CDE and the balance shall be CDE. If a Resource Company fails to make such renunciation, it will be liable to indemnify the Partnership (or the members thereof) for failure to satisfy such obligations to the extent permitted by the Tax Act. The Flow-Through Investment Agreements, in aggregate, will require the Eligible Expenditures to be comprised of CDE, CEE, Qualifying CDE, or a combination thereof. Once payment is made to the Resource Companies, the Partnership will be entitled to receive the Flow-Through Shares for which it has subscribed and paid.

The Partnership will use its best efforts to invest all Available Funds in Flow-Through Shares of Resource Companies on or before December 31, 2017 pursuant to Flow-Through Investment Agreements requiring that the Resource Companies renounce to the Partnership, effective not later than such date, Eligible Expenditures constituting CDE, CEE, Qualifying CDE, or a combination thereof. Pursuant to the terms of the Flow-Through Investment Agreements, such Eligible Expenditures will be renounced to the Partnership with an effective date no later than December 31, 2017. The Flow-Through Investment Agreements entered into by the Partnership during 2017 may permit a Resource Company to incur Eligible Expenditures that constitute CEE or Qualifying CDE at any time up to December 31, 2018 or Eligible Expenditures that constitute CDE at any time up to December 31, 2017 provided that the Resource Company agrees to renounce such Eligible Expenditures to the Partnership with an effective date of not later than December 31, 2017. See "*Risk Factors – Tax-Related*".

The management and investment structure of the Partnership and the relationship between the Partnership, General Partner, Norrep (as the Fund Manager and Portfolio Manager), Norrep Group, the Limited Partners and the Resource Companies is illustrated below. The diagram is provided for illustration purposes only and is qualified by information set forth elsewhere in this prospectus.



Notes:

1. Investors purchase Units at $10.00 per Unit (minimum purchase $5,000 (500 Units)).
2. The Partnership enters into Flow-Through Investment Agreements with Resource Companies pursuant to which the Partnership subscribes for Flow-Through Shares of the Resource Companies.
3. Pursuant to the Flow-Through Investment Agreements, Resource Companies renounce CEE, Qualifying CDE or CDE to the Partnership.
4. Renounced CEE, Qualifying CDE or CDE generally flows through as deductions to Limited Partners who are Limited Partners on December 31, 2017.
5. The General Partner has the power and duty to manage the Partnership and delegates certain management powers and duties, such as the powers and duties of an investment fund manager and portfolio manager, to Norrep.
6. Norrep, as the Fund Manager and Portfolio Manager, will provide advice on investments and manage the Partnership's investment portfolio as well as provide management, administrative and other services to the Partnership on behalf of the General Partner pursuant to the terms and conditions of the Investment Management Agreement.
7. The Partnership pays Norrep fees from time to time, which are described under "*Fees and Expenses – Management Fee*".

OVERVIEW OF THE SECTORS THAT THE PARTNERSHIP INVESTS IN

The following information on the oil and gas sector and mineral resource sector contains forward-looking statements that involve risk and uncertainties. These forward-looking statements relate to, among other things, strategy, indicators and expectations for the oil and gas sector and mineral resource sector and Resource Companies and other expectations, intentions and plans contained in this prospectus that are not historical fact. See "*Forward-Looking Statements*".

Oil and Gas Sector

The oil and gas sector consists mainly of those Resource Companies that engage in exploration, development and/or production of oil and natural gas, including issuers engaged in renewable energy exploration and development.

The oil and gas sector is in the midst of recovering from one of its worst downturns in recorded history. Equity prices for Canadian energy producers have been severely impacted as a result of the downturn with most oil and gas producers listed on the TSX or TSX-Venture down significantly from the peak in mid-2014. Crude oil prices (as measured by WTI, the US benchmark price) bottomed at US$26 per barrel on February 11, 2016, down 76% from a high of US$108 per barrel on July 23, 2014. Oil prices started to recover in 2016 as oil market fundamentals

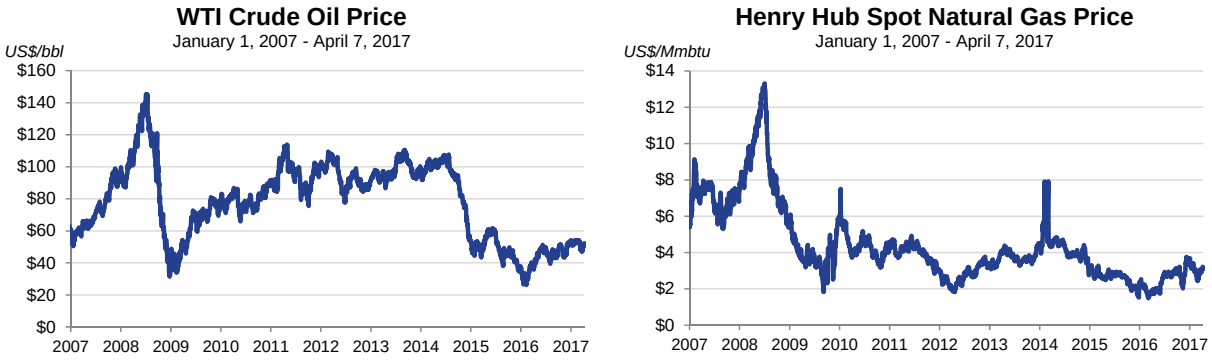
improved and OPEC agreed to cut production effective January 1, 2017. The WTI oil price was US$52 per barrel as of April 7, 2017. Norrep believes oil market fundamentals and OPEC's willingness to defend prices supports an oil price above US$50 per barrel.

Meanwhile, the Henry Hub natural gas spot price is trading at US$3.19 per Mmbtu as of April 7, 2017, compared to US$3.68 per Mmbtu at the end of 2016, US$2.31 per Mmbtu at the end of 2015 and US$2.99 per Mmbtu at the end of 2014. Norrep believes an abundance of supply from low cost natural gas sources in North America will generally keep natural gas prices in the US$2.00-US$3.50 range, subject to fluctuations due to weather and other influences.

Norrep has observed that, in general, oil and gas producers in North America have adapted to lower commodity prices since 2014 through lower service costs, lower labour costs, and improved efficiencies such that many producers can generate economic returns in the US$50-US$65 per barrel range in the short term. Norrep believes that service cost inflation and full cycle economics may require higher prices in the medium term to meet continued global oil demand growth. Norrep believes that the energy industry is in the early stages of a recovery and commodity prices are at levels supportive of a return to growth. Norrep believes that investing in the oil and gas sector at this part of the cycle is an attractive opportunity as there is significant upside for equities from growth, multiple expansion, and commodity price appreciation.

Norrep believes that an attractive investment landscape exists for the energy sector as it believes:

- Growth can be found at attractive valuations.
- Resource plays and technology are creating new opportunities.
- The current commodity price environment is supportive of investment in select companies.



Source: Bloomberg, Norrep Capital Management Ltd.

The Petroleum Services Association of Canada forecasts 5,150 wells will be drilled in Canada in 2017, a 30% increase from expected 2016 activity, however still a 54% decrease compared to 2014 activity. (Petroleum Services Association of Canada news releases dated January 30, 2017 and November 2, 2016). Lower drilling activity relative to historical levels increases the risk that Norrep will not be able to commit all Available Funds to purchase Flow-Through Shares on or before December 31, 2017. However, given the expected increase in drilling activity and capital expenditures for the Canadian oil and gas industry, Norrep believes that there will be sufficient opportunity to invest in Flow-Through Shares of Resource Companies in 2017. The expected drilling activity in 2017 represents capital expenditures in the multi-billions of dollars and this is a sufficiently large amount in relation to the demand for flow-through equity. The amount of flow-through equity issuances by publicly listed Canadian oil and gas companies in 2016 was $140 million, a 31% decrease from 2015, representing a very small percentage of total capital expenditures. Based on the capital raised by flow-through limited partnerships in 2017 year-to-date as of February 15,

2017, Norrep expects there to continue to be a relatively low level of flow-through capital available in Canada for investment compared to prior years, which should result in less competition for flow-through issuances in 2017. Norrep believes the Partnership should have sufficient opportunity to invest in Flow-Through Shares in 2017. See "*Forward Looking Statements*" and "*Risk Factors*".

The federal government in Canada has pledged to end fossil fuel subsidies in Canada and at the current time it is unclear if this will impact exploration activities. In addition, the Liberal Party's election platform included the phase out of fossil fuel subsidies in the federal tax framework, which Norrep believes could, if implemented, have a significant and adverse impact on future oil and gas exploration in Canada. See "Forward Looking Information" and "Risk Factors".

Mineral Resource Sector

The mineral resource sector consists primarily of those companies that engage in exploration, development and/or production of precious and base metals and minerals. Precious metals and minerals refer to metals such as gold, silver, platinum and palladium, or minerals such as diamonds and other gems. Base metals and minerals refer to metals such as zinc, copper, iron, lead, nickel and aluminum, and minerals such as uranium, potash and coal.

Norrep believes that China, India, Brazil, Russia, and other developing countries will be an important long-term influence on demand for resources in the global economy. Norrep expects this trend to allow for growth in Resource Companies with direct or indirect exposure to these rapidly developing economies.

Focus on Canadian Development Expense Flow-Through (CDE)

The Partnership targets 70% of the Available Funds to be renounced to it as CDE and 30% as CEE or Qualifying CDE, although the actual allocation of the Available Funds may vary substantially from the targeted percentages. The Tax Act allows Canadian natural resource companies to renounce (or "flow through") certain business expenses incurred in the process of exploring for and developing resources. Resource Companies may issue Flow-Through Shares to raise equity capital to explore or develop and, in turn, flow through deductions in respect of expenses incurred in such exploration or development to investors. Individuals generally invest in a flow-through limited partnership, such as the Partnership, to obtain professional management of a diversified portfolio of flow-through share investments and the tax benefits associated with renounced CDE and CEE.

- Canadian Development Expenses (CDE) provide an investor with a 100% deduction on the investor's investment over time on a 30% declining balance per year, commencing with the year such expenses are renounced and allocated to the investor. CDE qualifying expenses include certain expenses incurred while developing already identified oil and gas pools.

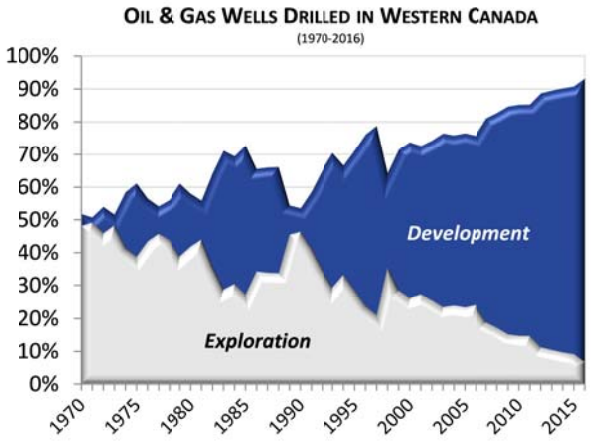
- Canadian Exploration Expenses (CEE) provide an investor with a 100% deduction on the investor's investment in the same year as the expense is renounced and allocated to the investor. CEE qualifying expenses, under the current rules in the Tax Act, include expenses incurred in drilling successful wells into previously undiscovered reservoirs, certain imaging data (seismic), and expenses incurred in drilling unsuccessful exploration wells.

- Qualifying CDE represents CDE that, under the current rules in the Tax Act, certain smaller resource companies may re-classify as CEE to provide an investor with a 100% deduction in the same year as the expense is renounced.

If the actual allocation of Available Funds matches the targeted 70% CDE / 30% CEE, Limited Partners could expect to claim tax deductions in respect of resource expenditures renounced to the Partnership equal to approximately 50% of the Available Funds for the 2017 taxation year, 15% of the Available Funds for the 2018 taxation year, and approximately 35% of the Available Funds in the following taxation years. Limited Partners could expect to claim additional tax deductions in respect of other expenses of the Partnership as further described in this Prospectus. The key distinction between the certain types of flow-through shares is the different risk/reward profiles,

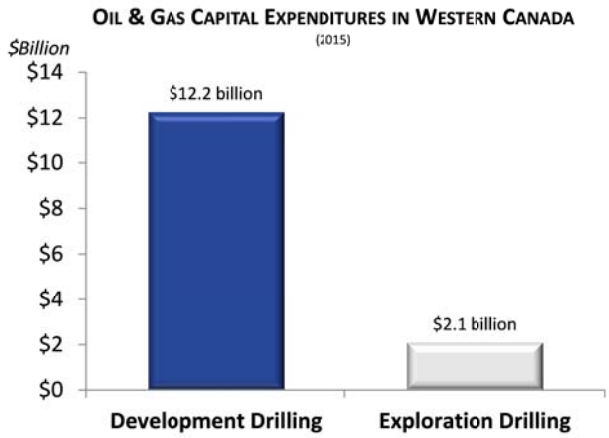
with CEE offering the largest potential for risk and reward. Risk is typically lower with CDE as development drilling success rates are generally higher and lower premiums may be paid to acquire CDE shares. Norrep believes that CDE is an attractive proposition as it believes:

- **The Vast Majority of Industry Activity is Development:** Oil and gas producers are typically focused on developing resource plays, which primarily consist of CDE expenditures as opposed to CEE expenditures. The number of development wells as a percentage of oil and gas wells drilled in Western Canada was 93% in 2016 and has been on an upward trend relative to prior years.



Source: Canadian Association of Petroleum Producers, Norrep Capital Management Ltd.

Annual spending on development drilling is significantly more than annual spending on exploration drilling. For 2015, oil and gas capital expenditures in Western Canada were $12.2 billion for development drilling compared to $2.1 billion for exploration drilling. Capital expenditures for both development and exploration drilling vary from year-to-year and are generally lower in a period of low commodity prices, however, notwithstanding current market conditions, Norrep believes the vast majority of drilling activity will continue to be development as opposed to exploration.



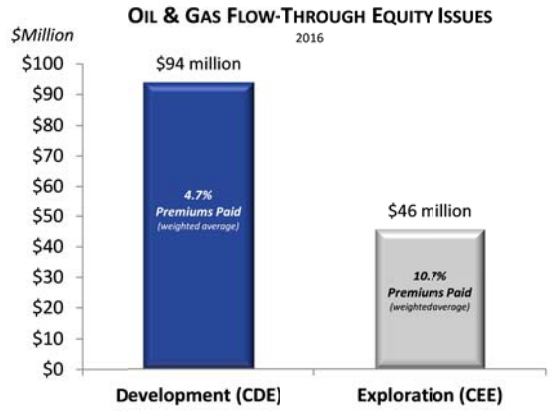
Source: Canadian Association of Petroleum Producers, Norrep Capital Management Ltd.

- **Development Drilling is Lower Risk than Exploration Drilling:** Developing an already discovered resource is lower risk than exploring for a new resource. Development wells have historically experienced higher success rates than exploration wells. For wells drilled in Western Canada in 2015, the success rate

(defined as producing wells divided by drilled wells) for development wells was 93% compared to 76% for exploration wells. The success rate for both development wells and exploration wells varies and may be different in future periods, however, Norrep believes that development wells will continue to experience higher success rates compared to exploration wells. The market value of a company's equity may decline if the company drills an unsuccessful well and fails to achieve a return on its capital expenditures. Therefore, CDE flow-through shares typically have lower risk than CEE flow-through shares of a comparable company because the development nature of the expenditure creates a higher likelihood that the company's drilling program will be successful.

- **There is Significant Demand for CDE Flow-Through Equity:** Oil and gas producers exhibit significant demand for development flow-through equity capital as it provides the necessary capital to fund or expand drilling programs at a lower cost of capital than with common equity. In particular, mid and intermediate sized companies tend to have greater demand for CDE flow-through capital than CEE flow-through capital as larger companies have typically already delineated their asset bases and are focused on development drilling to exploit the already discovered resources and grow production.

  The amount of CDE flow-through equity issued has increased in recent years and now represents a significant portion of the total amount of flow-through equity issuances by publicly traded oil and gas companies. For publicly traded oil and gas companies in 2016, the total amount of CDE flow-through equity issues was $94 million ($85 million in 2015, $102 million in 2014, $62 million in 2013 and $74 million in 2012) compared to $46 million for CEE flow-through equity issues ($118 million in 2015, $295 million in 2014, $336 million in 2013 and $327 million in 2012).



Source: Norrep Capital Management Ltd.

- **Increased Selectivity of Investments:** Companies that issue CEE flow-through shares are often smaller companies in the earlier stages of their life cycle with a greater reliance on exploration activities and limited access to low-cost common equity capital. Conversely, the universe of companies that could issue CDE flow-through shares includes the vast majority of oil and gas producers of all sizes, including mid and intermediate sized companies.

  The large amount of development capital expenditures in relation to the small amount of CDE flow-through equity capital available allows Norrep to target its top investment ideas and be selective in the flow-through deals it invests in - many of which can be directly sourced by Norrep using its strong industry relationships. By focusing on CDE, Norrep believes it can target investments in larger and higher quality companies with experienced management teams, existing production and cash flow, and sizable inventories of lower-risk development drilling opportunities. Larger companies are typically lower risk due to more established and diverse production bases, higher cash flows, and greater liquidity.

- **Lower Premiums:** Premiums paid to purchase CDE flow-through shares from oil and gas companies have traditionally been 10% compared to 20-25% for CEE flow-through shares. For flow-through equity issues of publicly traded oil and gas companies in 2016, the weighted average premium paid for CDE flow-through shares was 4.7% compared to 10.7% for CEE flow-through shares. Flow-through premiums in 2016 were lower relative to historical levels largely due to the extended industry downturn and fewer larger companies issuing flow-through equity. Lower premiums provide a significant return advantage with less of a hurdle for an investment to overcome to get back to par.

- **Facilitates a Short Duration Partnership:** The ability of the Partnership to achieve liquidity via a tax-deferred rollover in approximately 12 to 18 months is facilitated by investments in larger and more liquid companies. Norrep believes that a short duration flow-through limited partnership is a more attractive proposition than a flow-through limited partnership with a two-year life span because: (i) optionality is increased as an investor's capital is only tied up for approximately one year instead of two; (ii) it simplifies tax planning for an investor that invests in a flow-through limited partnership on a yearly basis as it allows the investor to maintain its asset allocation and risk profile by not layering flow-through limited partnerships; and (iii) it is lower cost, as management fees are only paid for approximately one year instead of two.

INVESTMENT RESTRICTIONS

The Partnership Agreement provides that the Partnership will invest the Available Funds in accordance with the following Investment Restrictions:

- **Resource Companies**. The Available Funds will initially be invested by the Partnership in Flow-Through Shares according to the following investment criteria:

    i. 100% in Flow-Through Shares of Resource Companies that incur Eligible Expenditures renounced as CDE, CEE, Qualifying CDE, or a combination thereof;

    ii. at least 70% in Oil and Gas Resource Companies;

    iii. not more than 10% in Flow-Through Shares of Resource Companies that are Private Issuers;

    iv. not more than 30% in Mineral Resource Companies;

    v. not more than 10% in Renewable Energy Resource Companies.

- **Diversification**. The Partnership will not invest more than 25% of the Gross Proceeds in any one Resource Company.

- **Warrants**. The Partnership may also invest in flow-through special warrants, which entitle the Partnership to acquire, for no additional consideration, shares in the capital of Resource Companies, provided that such flow-through special warrants qualify as flow-through shares for the purposes of the Tax Act, and in Warrants, provided that the Partnership may invest only up to 5% of the Net Asset Value in Warrants forming part of an offering of units consisting of Flow-Through Shares and Warrants, and further provided that not more than 1% of the aggregate purchase price under the relevant Flow-Through Investment Agreement shall be attributable to Warrants.

- **Exchange Listing**. The Partnership will invest at least 90% of the Available Funds in securities of Resource Companies that are listed on a stock exchange with at least 25% of those securities being listed on the Toronto Stock Exchange.

- **Minimum Market Cap**. The Partnership will invest at least 50% of the Available Funds in Resource Companies with a market capitalization in excess of $25 million.

- **No Guarantee**. The Partnership will not guarantee the securities or obligations of any person.

- **No Real Estate**. The Partnership will not purchase or sell real estate or interests in real estate.

- **No Lending**. The Partnership will not lend money (other than in respect of investing in High Quality Money Market Instruments).

- **No Mortgages**. The Partnership will not purchase mortgages.

- **Conflicts of Interest**. The Partnership will not invest in securities of any issuer that is not at arm's length to the Partnership, the General Partner, Norrep, Norrep Group or any of their respective officers and directors.

- **Borrowing Money**. The Partnership may enter into the Loan Facility to finance the payment of the Agents' commission, the expenses of the Offering and the Operating Costs (which includes the Management Fee) in order to maximize the allocation of Gross Proceeds toward the purchase of Flow-Through Shares. Pursuant to the Loan Facility, the Partnership will be able to borrow up to 10% of Gross Proceeds, provided that at all times the aggregate of all advances under the Loan Facility shall not exceed 25% of the Partnership's Net Asset Value. The Partnership will provide a security interest in the assets held in the Partnership in favour of the Lender to secure such borrowings. Other than the borrowing by the Partnership under the Loan Facility, the Partnership will not engage in any other borrowings. See "*Investment Strategies – Loan Facility*".

- **Short Sales**. The Partnership may short sell and maintain short positions in securities solely for the purpose of hedging securities held in the Partnership's investment portfolio.

- **Derivatives**. The Partnership may invest in or use derivative instruments solely for the purpose of hedging securities held in the Partnership's investment portfolio that are subject to resale restrictions.

- **Illiquid Securities**. The Partnership shall not: (i) own more than 10% of any class of securities (and for this purpose all equity based securities, whether convertible, exchangeable or otherwise, which are owned by the Partnership will be deemed to have been converted, exchanged or exercised into the underlying equity securities) of any Resource Company which is a Private Issuer; or (ii) purchase the securities of any Resource Company which is a Private Issuer where the Partnership could at any time thereafter hold more than 10% of the votes attaching to the outstanding voting securities of such Resource Company; or (iii) purchase the securities of any Resource Company which is a Private Issuer for the purpose of exercising control over or management of such Resource Company.

For the purposes of the Investment Restrictions listed above, all amounts and percentage limitations will initially be determined at the date of investment and any subsequent change in the applicable percentage resulting from changing values will not require the disposition of any securities from the portfolio. However, if securities in the portfolio are disposed of, and at the time of disposition the portfolio does not comply with the Investment Restrictions, the proceeds of disposition cannot be used to purchase securities for the portfolio other than High Quality Money Market Instruments and securities of issuers in the resource sector which will result in the portfolio being in compliance or closer to compliance with the Investment Restrictions.

There are no specific criteria governing the price at which Flow-Through Shares of Resource Companies may be purchased and, accordingly, depending on market conditions and other relevant factors, the Partnership may purchase Flow-Through Shares of Resource Companies at a premium or discount to or at the market price.

The Partnership Agreement provides that the Partnership may, except with the Available Funds, invest in securities of issuers other than Resource Companies including issuers in or related to the oil and gas or mineral resource sectors, such as pipeline, infrastructure, utilities or service companies. Such investments are intended to allow the Partnership to capitalize on investment opportunities to maximize the investment return of Units and to facilitate the Liquidity Alternative. No such investment will be made which would affect the status of the Flow-Through Shares as "flow-through shares" for income tax purposes, whether prospectively or retroactively.

Norrep may, on behalf of the Partnership, sell Flow-Through Shares at any time if Norrep is of the opinion that it is in the best interests of the Partnership to do so. See "*Distribution Policy" – Cash Distributions*" and "*Organization and Management Details of the Partnership – Details of the Investment Management Agreement*".

Any amendments of the foregoing Investment Restrictions must be approved by the Limited Partners by Special Resolution.

The Partnership is also subject to securities regulations which require the Partnership to adhere to certain investment restrictions, including:

- restrictions on controlling more than 10% of the outstanding equity securities of any one issuer;
- restrictions on investing for the purpose of exercising control over or management of the issuer;
- prohibitions on making certain related party investments without the approval of the Independent Review Committee of the Partnership; and
- prohibitions on investing in certain asset classes, such as real property or mortgages.

FEES AND EXPENSES

Initial Fees and Expenses

The Partnership intends to borrow the funds required to pay the expenses of the Offering and the Agents' commissions, which are expected to total $1,806,500 in the case of the maximum Offering and $387,500 in the case of the minimum Offering. See "*Plan of Distribution*". Norrep, as the Fund Manager, will pay the expenses of the Offering (exclusive of the Agents' commissions) in excess of 2% of the Gross Proceeds. The expenses of the Offering include (but are not limited to) legal expenses of the Partnership, marketing expenses and legal and other out-of-pocket expenses incurred by the Agents and other incidental expenses. The Agents will receive the Agents' commission, representing $0.575 per Unit or 5.75% of the Gross Proceeds. The unpaid principal amount of the borrowing will be deemed to be a limited recourse amount of the Partnership under the Tax Act which reduces the related expenses by the unpaid principal amount. At the time that all or a portion of the indebtedness is repaid by the Partnership, the related expenses will be deemed to have been incurred by the Partnership at the time of, and to the extent of, the repayment, provided the repayment is not part of a series of loans or other indebtedness and repayments. See "*Income Tax Considerations – Computation of Income of Limited Partners*".

Ongoing Expenses

The Partnership intends to borrow the funds required to pay the Partnership's administrative and operating expenses, which expenses will include, without limitation, administration fees, loan fees and related interest charges in connection with the Loan Facility, custodial fees, expenses relating to investment transactions (including finder's fees, if any), directors' fees payable to the independent directors (as applicable), fees and expenses payable to the Independent Review Committee of the Partnership, taxes, legal, audit and valuation fees, Limited Partner reporting costs, Transfer Agent and Registrar costs (if applicable), CDS fees, printing and mailing costs and costs to be incurred in connection with the Partnership's continuous public filing obligations. As with the Agents' commissions and other expenses of the Offering, the unpaid principal amount of the borrowing will be deemed to be a limited recourse amount of the Partnership under the Tax Act. See "*Income Tax Considerations – Computation of Income of Limited Partners*". The General Partner is responsible for its own overhead costs, including office facilities, equipment and employees. Norrep will be responsible for all expenses associated with implementing the Liquidity Alternative.

The General Partner estimates that administration and operating costs for the Partnership will be approximately $32,200 per annum in the case of the minimum Offering and $169,506 per annum in the case of the maximum Offering (excluding the Management Fee and expenses relating to portfolio transactions). The Partnership will be responsible for debt service costs in respect of the Loan Facility, brokerage expenses relating to portfolio transactions and any extraordinary expenses that may be incurred from time to time.

Neither the General Partner nor Norrep, nor any of their respective affiliates or associates will receive any fee, commission, rights to purchase shares of Resource Companies or any other compensation in consideration for services as agent or finder in connection with private placements of Flow-Through Shares to the Partnership.

Performance Bonus

Norrep, as the Fund Manager, is entitled, on the Performance Bonus Date, to an amount equal to the product of: (1) 20% of the amount by which (i) the sum of (A) the Net Asset Value per Unit on the Performance Bonus Date and (B) all distributions per Unit during the Performance Bonus Period, exceeds (ii) the sum of $10.00 plus appreciation thereon at the rate of 8% per annum, compounded annually, during the Performance Bonus Period; and (2) the number of Units outstanding on the Performance Bonus Date.

Management Fee

Norrep, as the Fund Manager, will manage the ongoing business and administrative affairs of the Partnership pursuant to the terms and conditions of the Investment Management Agreement. In consideration for these services and pursuant to the terms of the Partnership Agreement, the Partnership will pay to Norrep the Management Fee from funds the Partnership intends to borrow, which fee will annually equal 2.00% of the Net Asset Value of the Partnership commencing on the Initial Closing Date. The Management Fee will be paid monthly based on the Net Asset Value of the Partnership on the last Valuation Date for the preceding month and will be audited annually in conjunction with the audited financial statements of the Partnership. The unpaid principal amount of the borrowing will be deemed to be a limited recourse amount of the Partnership under the Tax Act. See "*Income Tax Considerations – Computation of Income of Limited Partners*".

The Net Asset Value of the Partnership will be calculated at each Valuation Date and made available for publication and will be independently confirmed where the Valuation Date is December 31 in any year by an independent qualified person.

RISK FACTORS

Speculative Nature of Investment

THIS IS A SPECULATIVE OFFERING. THIS IS A BLIND POOL OFFERING. The purchase of Units involves a number of risk factors. There is no assurance that Limited Partners will receive any return on their Units or repayment of their capital contributions to the Partnership. An investment in Units is appropriate only for Investors who have the capacity to absorb the loss of their entire investment. Investors who are not willing to rely on the discretion and judgement of management of the General Partner and Norrep should not subscribe for Units. The General Partner has, and is expected to have, only nominal assets. The tax benefits resulting from an investment in the Partnership are greatest for an Investor whose income is subject to the highest marginal income tax rate. **Regardless of any tax benefits that may be obtained, a decision to purchase Units should be based primarily on an appraisal of the merits of the investment and on an Investor's ability to bear a loss of its investment. Investors acquiring Units with a view to obtaining tax advantages should obtain independent tax advice from a tax advisor who is knowledgeable in the area of income tax law.** In addition to the factors set forth elsewhere in this prospectus, prospective Investors should consider the following risks.

Liquidity

There is no market through which the Units may be sold and purchasers may not be able to resell the Units purchased under this prospectus. Further, the Partnership does not intend to list the Units on any stock exchange. No

market is expected to develop. Consequently, Limited Partners may not be able to liquidate their Units in a timely manner, if at all, or pledge their Units as collateral for loans.

Liquidity Alternative

There is no assurance that the Liquidity Alternative or any alternative transaction will be proposed, will receive any necessary approvals (including regulatory approvals), will be implemented or will be implemented on a tax-deferred basis. In such circumstances, an alternative transaction, such as the distribution of the remaining assets of the Partnership to the Limited Partners upon dissolution of the Partnership, may not be available on a tax-deferred basis. Further, if the Partnership is unable to dispose of all investments prior to the Partnership's termination pursuant to the Partnership Agreement, the remaining assets that Limited Partners receive may be securities or other interests of Resource Companies for which there may be an illiquid market or which may be subject to resale and other restrictions under applicable securities laws.

Mutual Fund Securities

In the event that a Liquidity Alternative is implemented, Limited Partners will receive shares in one or more Mutual Funds. These shares will be subject to various risk factors applicable to shares of mutual fund corporations or other investment vehicles which invest in securities of public companies. For investment vehicles that invest in issuers engaged in the oil and gas industry and mineral exploration, development and production, these include risks similar to the risks described under "*Risk Factors – Narrow Investment Focus and Concentration of Investments*".

If the transfer of the Partnership's assets to a Mutual Fund under the Liquidity Alternative is completed, some of the securities held by such Mutual Fund, while listed and freely tradeable, may be relatively illiquid and may decline in price if a significant number of such securities are offered for sale.

Blind Pool

This is a blind pool offering. The Partnership has not entered into any Flow-Through Investment Agreements to acquire Flow-Through Shares and the Partnership will not enter into any binding agreements to acquire Flow-Through Shares until after the Initial Closing Date. The specific Flow-Through Shares of Resource Companies in which the Partnership will invest Available Funds have not been identified as of the date of this prospectus and will not be identified until after the Initial Closing Date.

Reliance on the General Partner and Norrep

The Partnership and the General Partner have no previous operating or investment history. Investors who are not willing to rely on the sole discretion and judgement of the General Partner and Norrep should not subscribe for Units. The board of directors of the General Partner or Norrep, and, therefore, management of the General Partner or Norrep, may be changed at any time.

Limited Partners must rely on the expertise of Norrep (as Fund Manager and Portfolio Manager) in entering into Flow-Through Investment Agreements with Resource Companies on behalf of the Partnership, in negotiating the pricing of securities purchased, in determining (in accordance with the Partnership's investment objectives and investment strategies) the composition of the portfolio of securities of Resource Companies to be owned by the Partnership, and in determining whether to dispose of securities (including Flow-Through Shares) owned by the Partnership. Norrep will not always review engineering or other technical reports prepared in anticipation of an exploration or development program being financed by Flow-Through Shares issued to the Partnership. In some cases the nature of an exploration or development program to be financed will not warrant an engineering or technical report and the proposed exploration or development program will be determined by management of the Resource Company. In assessing the suitability of an investment in any Resource Company, Norrep will consider, among other things, the experience and track record of management of the Resource Company and publicly available information concerning the resource property interests held by such Resource Company. See "*Investment Objectives*", "*Investment Strategies*", "*Investment Restrictions*", "*Organization and Management Details of the Partnership – The Fund*

Manager and Portfolio Manager" and "*Organization and Management Details of the Partnership – Details of the Investment Management Agreement*".

Underlying Securities

Generally, the value of Units will vary in accordance with the value of the securities acquired by the Partnership. The value of securities owned by the Partnership may be affected by such factors as investor demand, resale restrictions, general market trends or regulatory restrictions. Fluctuations in the market values of such securities may occur for a number of reasons beyond the control of Norrep, the General Partner or the Partnership and there is no assurance that an adequate market will exist for securities acquired by the Partnership.

If the Partnership is unable to dispose of all investments prior to the termination of the Partnership and a Liquidity Alternative is not implemented, Limited Partners may receive shares of Resource Companies upon liquidation of the Partnership, for which there may be an illiquid market or which may be subject to resale restrictions. In the case of Resource Companies that are private corporations, transferability of the Flow-Through Shares may be restricted by the constating documents of the respective corporation and the shares may be entirely illiquid. See "*Termination of the Partnership*".

Premium Pricing, Resale and Other Restrictions Pertaining to Flow-Through Shares

Flow-Through Shares generally will be issued to the Partnership at prices greater than the market prices of comparable ordinary common shares not qualifying as Flow-Through Shares, and Limited Partners must rely entirely on the discretion of Norrep in negotiating the pricing of those securities. Flow-Through Shares and other securities of Resource Companies may be purchased by the Partnership on a private placement basis, and will be subject to resale restrictions. These resale restrictions will generally last for four months. Norrep will manage the Partnership's investment portfolio, and this may involve the sale and reinvestment of the proceeds of sale of some or all of the Flow-Through Shares and other securities pursuant to certain statutory exemptions. The existence of resale restrictions may hamper the ability of Norrep to take advantage of opportunities for profit taking, or limitation of losses, which might be available in the absence of resale restrictions, and this in turn may reduce the amount of capital appreciation or magnify the capital loss in the Partnership's investment portfolio.

Narrow Investment Focus and Concentration of Investments

The Net Asset Value of the Partnership may be more volatile than that of portfolios with a more diversified investment focus and portfolios that are more diversified in terms of the number of investments because (i) the Partnership will invest almost exclusively in securities of Resource Companies, that are engaged in oil and gas exploration, development and production, or mineral exploration, development and production, or renewable energy development and production in Canada; and (ii) of limited restrictions on the portion of the Available Funds that can be invested by the Partnership in any one Resource Company. See "*Overview of the Sectors that the Partnership Invests In*", "*Investment Objectives*", "*Investment Strategies*" and "*Investment Restrictions*".

The business activities of Resource Companies are speculative and may be adversely affected by factors outside their control. Resource development and exploration involves a high degree of risk, which even the experience and knowledge of management of the Resource Companies may not be able to avoid. There is no assurance that commercial quantities of oil, gas or minerals will be discovered or that Resource Companies involved in renewable energy programs shall achieve profitability. Other risks to be considered include possible significant fluctuations in commodity prices or in the costs of production, possible claims of native peoples and government regulations, including regulations relating to prices, royalties, allowable production, importing and exporting of petroleum products or mineral products and environmental protection. The effect of these factors cannot be accurately predicted.

The Portfolio will include securities of Junior Issuers

A significant portion of the Available Funds may be invested in securities of junior Resource Companies, although at least 50% will be invested in Resource Companies with a market capitalization of in excess of $25 million and at least 25% will be invested in Resource Companies listed and posted for trading on the TSX. Securities of junior

issuers may involve greater risks than investments in larger, more established companies. Generally, the markets for securities of junior issuers are less liquid than the markets for securities of larger issuers, and therefore the liquidity of a significant portion of each Portfolio is likely to be limited. This may limit the ability of the Partnership to realize profits or minimize losses, which may in turn adversely affect the Partnership's Net Asset Value and the return on investment in Units. Also, if a Liquidity Alternative is implemented, in order to fund redemptions, the Mutual Fund(s) may have to liquidate its shareholdings in more liquid, large and medium sized companies as a result of illiquidity of some or all of that portion of its shareholdings that consist of securities of junior issuers.

Flow-Through Shares

There is no assurance that Norrep (as Portfolio Manager), on behalf of the Partnership, will be able to invest in Flow-Through Shares of Resource Companies sufficient to permit the Partnership to commit all Available Funds to purchase Flow-Through Shares on or before December 31, 2017. This risk is increased by the fact that there have been significant reductions in drilling activity by petroleum producers in Western Canada. There is no assurance that Resource Companies will honour their obligations to incur and renounce Eligible Expenditures or that the Partnership will be able to recover any losses suffered as a result of the failure to honour such obligations. Subject to the terms of the Loan Facility, any Available Funds that have not been committed by the Partnership to purchase Flow-Through Shares on or before December 31, 2017 that are in excess of outstanding bank indebtedness (including any accrued interest thereon), will be distributed by January 15, 2018, plus accrued interest thereon, on a *pro rata* basis to Limited Partners of record on December 31, 2017. If Available Funds are returned in this manner, Limited Partners will not be entitled to claim the anticipated deductions from income for income tax purposes in respect of these funds. See "*Use of Proceeds*".

Loan Facility

In order to maximize the allocation of Gross Proceeds towards the purchase of Flow-Through Shares, the Partnership will be able to borrow, to a maximum of 10% of the Gross Proceeds, an amount equal to the Agents' commission, the expenses of the Offering and the ongoing expenses of the Partnership, including operating, administration, interest, and other expenses, as well as the Management Fee, provided that at all times the aggregate of all advances under the Loan Facility shall not exceed 25% of the Partnership's Net Asset Value. The interest expense and banking fees incurred in respect of the Loan Facility may exceed the incremental capital gains and tax benefits generated by the incremental investment in Flow-Through Shares. There is no assurance that the borrowing strategy employed by the Partnership will enhance returns.

Regulatory Environment

Oil and gas operations, mining operations and renewable energy programs are subject to extensive government regulation. Operations may be affected from time to time in varying degrees due to political and environmental developments such as tax increases, expropriation of property and changes in conditions under which oil and gas, precious metals, minerals and renewable energy products may be developed, produced and exported, as applicable.

Resale of Securities

In some cases, the securities owned by the Partnership, may be affected by such factors as investor demand, resale restrictions, general market trends, lack of liquid market or regulatory restrictions, all or any of which may affect the ability of the Partnership to realize its investment objectives.

Global Economic Downturn

In the event of a continued general economic downturn or a recession, there is no assurance that the business, financial conditions and results of operations of the Resource Companies in which the Partnership invests would not be materially adversely affected.

Oil and Natural Gas Prices

The Partnership will be affected by fluctuations in oil and natural gas prices as a result of investing in Flow-Through Shares of Resource Companies that are primarily involved in oil and natural gas exploration and production. The profitability and market value of these companies are significantly affected by fluctuations in oil and natural gas prices. During periods of low prices, such Resource Companies will have reduced cash flows and a significant decline in prices may cause such companies to shut down their higher cost operations.

When oil and natural gas prices are low, there is less demand from investors to invest in the shares of such companies and, as a result, such companies typically would experience a significant decrease in their market value and may have difficulty raising capital to support their operations and growth plans. If low oil and natural gas prices continue for a prolonged period, some Resource Companies (particularly the higher cost oil and gas producers) may be unable to continue to operate profitably and may seek distressed merger and acquisition transactions or face insolvency.

Changes in oil and natural gas prices may positively or negatively impact the Partnership depending on the timing of the transaction and the applicable prices. For example, if oil and natural gas prices are relatively low when the Partnership purchases Flow-Through Shares, then the Partnership may benefit if oil and natural gas prices subsequently increase and result in an increase in the prices of the Flow-Through Shares at the time the Partnership disposes of such shares. However, if low oil and natural gas prices continue, then some Resource Companies may be exposed to greater risk of financial distress due to the lower profit margins and difficulty of raising capital to continue operations, which could result in a decline in the prices of the Flow-Through Shares held in the Partnership's portfolio and consequently losses to the Partnership.

The marketability and price of oil and natural gas is and will continue to be affected by political events throughout the world that cause disruptions in the supply of oil and natural gas. Conflicts, or conversely peaceful developments, arising in the Middle-East, North Africa and other areas of the world, have a significant impact on the price of oil and natural gas. In addition, other events, such as fuel conservation measures, alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas, and technological advances in fuel economy and energy generation devices, could also reduce the demand for oil and natural gas.

Any particular event could result in a material change in oil and natural gas prices, which could have a significant effect on the value of the Flow-Through Shares held in the Partnership's investment portfolio and consequently have a significant effect on the Partnership.

Industry Conditions, Competition and Considerations

The oil and gas, mining and renewable energy industries are highly competitive and the Partnership and Resource Companies must compete with many companies, many of whom have far greater financial strength, experience and technical resources. Generally, there is intense competition for the acquisition of resource properties considered to have commercial potential as well as for drilling rigs necessary to exploit oil and gas properties. If a Resource Company is unable to obtain such rigs, the Resource Company may be unable to incur and renounce in favour of the Limited Partners effective December 31, 2017, all of the anticipated Eligible Expenditures.

There are certain risks inherent in the oil and gas, mining and renewable energy industries, including potential claims arising from operational activities, which may or may not be insurable.

Substantial adverse or ongoing economic, business, government or political conditions in various world markets, including the potential for significant fluctuations in the prices of oil and gas, precious metals and minerals may have a negative impact on the ability of the Resource Companies to operate profitably. There is no assurance that any of the Resource Companies will prove to be profitable or viable over the short or long term.

Current trends or events that may be expected to affect an investment in the Partnership include, but may not be limited to, the impact of the general global economic slow-down which has impacted and may continue to impact demand for oil and gas related products. In addition, the ability of Resource Companies to obtain needed project

financing may be impacted adversely by current market conditions. These factors may induce downward price pressures on oil and gas prices and as a result, underlying issuers within the sector as exploration, development and/or production projects are potentially impacted negatively. These factors may also induce downward price pressures on commodities and, as a result, also on companies involved directly and indirectly within the sector as mining projects are potentially impacted negatively.

The business activities of Resource Companies are highly speculative and may be adversely affected by factors outside the control of those issuers, which will affect the marketability and value of the underlying Flow-Through Shares and there is no guarantee that the required quantity of Flow-Through Shares will be available for purchase by the Partnership. Issuers may not hold or discover commercial quantities of petroleum, natural gas or renewable energy projects or obtain or maintain access to adequate resources and their profitability may be affected by adverse fluctuations in commodity prices, demand for commodities and renewable energy projects, general economic conditions and cycles, unanticipated depletion of reserves or resources, native land claims, liability for environmental damage, competition, imposition of tariffs, duties or other taxes and government regulation, as applicable. Since the Partnership will invest primarily in securities issued by issuers engaged in the oil and gas, mining and related resource businesses (including junior issuers), the value may be more volatile than portfolios with a more diversified investment focus. Also, the value may fluctuate with underlying market price for commodities produced by those sectors of the economy.

Eligible Expenditures

There is no assurance that Resource Companies will honour their obligation to incur and renounce Eligible Expenditures, that amounts renounced will qualify as CDE, CEE or Qualifying CDE or that the Partnership will be able to recover any losses suffered as a result of such a breach of such obligation by a Resource Company.

Tax-Related Risks

An investment in Units is appropriate only for Investors who have the capacity to absorb a loss of their entire investment. The tax benefits resulting from an investment in the Partnership are greatest for an Investor whose income is subject to the highest marginal income tax rate. **Regardless of any tax benefits that may be obtained, a decision to purchase Units should be based primarily on an appraisal of the merits of the investment apart from the related tax benefits and on an Investor's ability to bear a loss of its investment. Investors acquiring Units with a view to obtaining tax advantages should obtain independent tax advice from a tax advisor who is knowledgeable in the area of income tax law.**

The tax consequences of acquiring, holding or disposing of Units or the Flow-Through Shares issued to the Partnership may be fundamentally altered by changes in federal or provincial income tax legislation or the interpretation thereof. There is no assurance that any such alteration will not adversely affect the Partnership or Limited Partners.

There is a risk that the Liberal CEE Initiative may reduce or eliminate tax savings under the Tax Act associated with an investment in Flow-Through Shares. As part of its 2015 federal election platform, the now elected Liberal government announced its intention to reduce fossil fuel subsidies and that, as a first step in achieving that goal, the availability of CEE deductions would be limited to cases of unsuccessful exploration. The material in the pre-election fiscal plan indicated that the phase out would commence in the 2017/18 fiscal year. After the election, the Prime Minister directed the Minister of Finance in a mandate letter that one of his "top priorities" should be to "develop proposals to allow Canadian Exploration Expenses tax deductions only in cases of unsuccessful exploration and re-direct any savings to investments in new clean technologies."

Federal Budget 2017 announced measures that, if enacted, will (i) eliminate the ability of Resource Companies to incur Qualifying CDE after 2018 and renounce it as CEE, and (ii) classify certain expenses incurred after 2018 related to drilling or completing a discovery well (or in building a temporary access road to, or in preparing a site in respect of, any such well) as CDE (currently, such expenses are CEE). These Tax Proposals, if enacted as proposed, are not expected to impact expenses renounced to the Partnership since the General Partner expects that all expenses renounced to the Partnership by Resource Companies will be incurred before 2019. To what extent, if any,

further proposals will be introduced as part of the Liberal CEE Initiative and the impact of any such proposals on the Flow-Through Share regime in the Tax Act is unclear. There is also no certainty that the proposed changes will be enacted into law, either as proposed or at all. See "*Forward-Looking Statements*".

There is no assurance that all Available Funds will in fact be invested in Flow-Through Shares or that amounts incurred and renounced by Resource Companies to the Partnership will qualify as CEE, Qualifying CDE or CDE, or the proportion of amounts renounced as CEE, Qualifying CDE, or CDE. There is no assurance that expenditures incurred and renounced by a Resource Company will qualify as Eligible Expenditures. The Eligible Expenditures incurred and renounced by Resource Companies may be reduced by other events, including failure of the Resource Companies to comply with the provisions of Flow-Through Investment Agreements or of applicable income tax legislation. There is no assurance that Resource Companies will comply with the provisions of the Flow-Through Investment Agreements or with the provisions of applicable income tax legislation with respect to the nature of expenses renounced to the Partnership. There is no assurance that Resource Companies will incur all Eligible Expenditures before January 1, 2018 or January 1, 2019 in respect of certain CEE or Qualifying CDE or renounce Eligible Expenditures equal to the price paid to them effective on or before December 31, 2017, or at all. The Partnership may also fail to comply with applicable legislation. These factors may reduce or eliminate the return on a Limited Partner's investment in the Units.

If certain Eligible Expenditures renounced within the first three months of 2018 effective December 31, 2017 are not in fact incurred in 2018, the Partnership's, and consequently, the Limited Partners', Eligible Expenditures may be reassessed by the CRA effective as of December 31, 2017 in order to reduce the Limited Partners' deductions with respect thereto. However, the Limited Partners will not be charged interest on any unpaid tax as a result of such reduction for any period before May 2019.

The alternative minimum tax could limit tax benefits available to Limited Partners who are individuals or certain trusts. The tax authorities may disagree with the characterization of gains realized by the participation on the sale of Flow-Through Shares as being on capital account rather than on income account and with the classification of the Eligible Expenditures made by Resource Companies, and any such re-characterization or reclassification, as the case may be, resulting from such disagreement will reduce the return on an investment in the Units. While Limited Partners will receive the tax benefits associated with Eligible Expenditures in the years in which the Partnership invests in Flow-Through Shares and will benefit to the extent that gains on the disposition of Flow-Through Shares by the Partnership are capital gains rather than income gains for tax purposes, the sale of Flow-Through Shares by the Partnership will trigger larger capital gains in the year the sale occurs than the sale of comparable common shares that do not constitute Flow-Through Shares. This is because Flow-Through Shares are deemed to have a cost of nil for income tax purposes. As a result, there is a risk that Limited Partners will receive allocations of income or capital gains for a year without receiving distributions from the Partnership in that year sufficient to pay any tax they may owe as a result of being a Limited Partner during that year. See "*Distribution Policy – Cash Distributions*".

Each Limited Partner will represent that it has not acquired Units with limited-recourse borrowing for the purposes of the Tax Act, however there is no assurance that this will not occur. If a Limited Partner finances the acquisition of Units with a financing for which recourse is, or is deemed to be, limited, the Eligible Expenditures renounced to, or other expenses incurred by, the Partnership will be reduced by the amount of such financing.

The Partnership intends to borrow to fund the payment of the Agents' commissions, expenses of the Offering, and the Operating Costs under the Loan Facility. Such indebtedness will be deemed to be a limited recourse amount for purposes of the Tax Act. As a result, such expenses will not be deductible until the year in which the indebtedness is repaid.

Certain provisions of the Tax Act subject certain flow-through entities, including certain publicly-traded income trusts and limited partnerships (referred to as "SIFT trusts" and "SIFT partnerships"), to tax and change the tax consequences of investors holding interests in such entities. A partnership will be a SIFT partnership throughout a taxation year if, at any time in the year, it satisfies these conditions:

(i) the partnership meets one or more of the following residence-like criteria: it is a partnership, all of the members of which are resident in Canada; it was formed under the laws of Canada or a province; or it would, if it were a corporation, be resident in Canada, including as a result of central management and control being located in Canada;

(ii) units of, or other investments in, the partnership are listed or traded on a stock exchange or other public market; and

(iii) the partnership holds one or more "non-portfolio properties".

The Partnership should not be subject to such tax provided the Units (or any other "investment" as defined in the Tax Act for the purposes of these rules) will not be, or will not be considered to be, listed or traded on an exchange or other public market and provided that there is no trading system or other organized facility on which Units are listed or traded (excluding a facility that is operated solely to carry out the issuance or redemption, acquisition or cancellation of Units by the Partnership). To mitigate this risk, the Partnership intends to restrict the transfer of Units. Consequently, the General Partner may not approve a requested transfer of Units if it may be expected to create the risk that the Partnership would be considered a SIFT partnership.

Where a Resource Company has a "prohibited relationship" as defined in the Tax Act with an investor that is a trust, partnership or corporation, the Resource Company may not renounce Qualifying CDE to such an investor. In general, a Resource Company will have a prohibited relationship with a trust or a partnership if the Resource Company or a corporation related to the Resource Company is a beneficiary of the trust or is a member of the partnership. A Resource Company has a prohibited relationship with a corporation if the Resource Company and the corporation are related.

A Resource Company may not renounce Eligible Expenditures incurred by it after December 31, 2017 with an effective date of December 31, 2017 to a subscriber of Flow-Through Shares with which it does not deal at arm's length at any time during 2018. The Partnership will be deemed not to deal at arm's length with a Resource Company if any of its partners who are entitled to receive allocations of such Eligible Expenditures do not deal at arm's length with such Resource Company. A prospective Investor who does not deal at arm's length with a corporation whose principal business is oil and gas exploration, development or production or mineral exploration, development or production that may issue flow-through shares, as defined in subsection 66(15) of the Tax Act should consult the Investor's own tax advisor before acquiring Units. Investors are required to identify all Resource Companies with which the Investor does not deal at arm's length to the General Partner in writing prior to the acceptance of the subscription. See "*Purchase of Securities*".

Any of the above occurrences would reduce the amount of the Eligible Expenditures or losses allocated to Limited Partners and in certain circumstances may require the Limited Partners to amend and re-file their tax returns filed for previous years. There may be disagreements with the CRA with respect to certain tax consequences of an investment in Units. There is no assurance that the income tax laws in the various jurisdictions of Canada will not be changed in a manner which will fundamentally alter the tax consequences to Limited Partners of holding or disposing of Units. Alternative minimum tax could limit tax benefits available to Limited Partners. See "*Income Tax Considerations*".

For Québec provincial tax purposes only, the Québec Tax Act provides that where an individual taxpayer (including a personal trust) incurs in a given taxation year "investment expenses" to earn "investment income" in excess of investment income earned for that year, such excess shall be included in such taxpayer's income, resulting in an offset of the deduction for such excess investment expenses. For these purposes, investment expenses include certain deductible interest and losses of the Partnership allocated to the Québec Limited Partner and 50% of both CEE and CDE (other than CEE and CDE incurred in Québec) renounced to the Partnership and allocated to and deducted for Québec tax purposes by such Québec Limited Partner, and investment income includes taxable capital gains not eligible for the lifetime capital gains exemption. Accordingly, up to 50% of CEE and CDE (other than CEE and CDE incurred in Québec) renounced to the Partnership and allocated to and deducted for Québec tax purposes by such Québec Limited Partner may be included in the Québec Limited Partner's income for Québec tax purposes if such Québec Limited Partner has insufficient investment income, thereby offsetting such deduction. The portion of the

investment expenses (if any) which have been included in the taxpayer's income in a given taxation year may be deducted against investment income earned in any of the three previous taxation years and any subsequent taxation year to the extent investment income exceeds investment expenses for such other year. See "*Income Tax Considerations – Certain Québec Tax Considerations*.

Available Capital

If the Gross Proceeds are significantly less than the maximum Offering, the expenses of the Offering and the ongoing administrative expenses and interest expense payable by the Partnership may result in a substantial reduction or even elimination of the returns which would otherwise be available to the Partnership.

The ability of Norrep to negotiate favourable Flow-Through Investment Agreements on behalf of the Partnership is, in part, influenced by the total amount of capital available for investment in Flow-Through Shares. Accordingly, if the Gross Proceeds are significantly less than the maximum Offering, the ability of Norrep to negotiate and enter into favourable Flow-Through Investment Agreements on behalf of the Partnership may be impaired and therefore the Investment Strategy of the Partnership may not be fully met.

Limited Liability of Limited Partners

Limited Partners may lose their limited liability in certain circumstances, including by taking part in the control or management of the business of the Partnership. The principles of law in the various jurisdictions of Canada recognizing the limited liability of the limited partners of limited partnerships subsisting under the laws of one province or territory but carrying on business in another province or territory have not been authoritatively established. If limited liability is lost, there is a risk that Limited Partners may be liable beyond their contribution of capital and share of undistributed net income of the Partnership in the event of judgment on a claim in an amount exceeding the sum of the net assets of the General Partner and the net assets of the Partnership.

The General Partner has unlimited liability for the obligations of the Partnership and has agreed to indemnify the Limited Partners against losses, liabilities, expenses and damages suffered if the Limited Partners' respective liabilities are not limited, provided that the loss of limited liability was caused by an act or omission of the General Partner or by the negligence or wilful misconduct in the performance of, or wilful disregard or breach of, the obligations or duties of the General Partner under the Partnership Agreement. However, such indemnity will apply with respect to losses in excess of the agreed capital contribution of the Limited Partner and the amount of this protection is limited by the extent of the net assets of the General Partner and such assets may not be sufficient to fully cover any actual loss. The General Partner has only nominal assets, and it is unlikely that the General Partner will have sufficient assets to satisfy any claims pursuant to such indemnity.

Conflicts of Interest

The General Partner, Norrep, Norrep Group, certain of their Affiliates, certain limited partnerships whose general partner is or will be an Affiliate of Norrep. and their directors and officers are or may in the future be actively engaged in a wide range of investment and management activities, some of which are or will be similar to and in competition with the business of the Partnership and the General Partner, including acting in the future as directors and officers of the general partners of other issuers engaged in the same business as the Partnership. See "*Organization and Management Details of the Partnership - Conflicts of Interest*". Accordingly, conflicts of interest may arise between Limited Partners and the directors, shareholders, officers, employees and any Affiliates of the General Partner and Norrep. None of the General Partner, Norrep, Norrep Group or any of their Affiliates are obligated to present any particular investment opportunity to the Partnership, and they may take such opportunities for their own account.

There are no assurances that conflicts of interest will not arise which cannot be resolved in a manner most favourable to Limited Partners. Persons considering a purchase of Units pursuant to this Offering must rely on the judgement and good faith of the shareholders, directors, officers and employees of the General Partner and Norrep in resolving such conflicts of interest as may arise. There is no obligation on the General Partner, Norrep, or their

respective employees, officers and directors and shareholders to account for any profits made from other businesses that are competitive with the business of the Partnership.

Short Selling

The Partnership may short sell and maintain short positions in securities for the purpose of hedging securities held in the Partnership's investment portfolio. These short sales may expose the Partnership to significant losses if the value of the securities sold short increases.

Use of Derivatives

The Partnership may purchase or sell options on securities owned by the Partnership in circumstances that Norrep considers appropriate as a means of hedging securities held in the portfolio that are subject to resale restrictions. In certain circumstances, the Partnership may realize a loss as a result of such derivatives.

DISTRIBUTION POLICY

Allocation of Income, Loss and Eligible Expenditures

Income of the Partnership for each Fiscal Year will be allocated at the end of each Fiscal Year on the basis of 99.99% to the Limited Partners of record on December 31 of each such Fiscal Year to then be allocated among Limited Partners in proportion to the number of Units held at the end of the applicable Fiscal Year and 0.01% to the General Partner. Loss of the Partnership for each Fiscal Year will be allocated at the end of each Fiscal Year on the basis of 100% to the Limited Partners of record on December 31 of each such Fiscal Year.

The Partnership will allocate all Eligible Expenditures renounced to it by Resource Companies with an effective date in a particular Fiscal Year *pro rata* to the Limited Partners of record at the end of that Fiscal Year, and will make such filings in respect of such allocations as are required by the Tax Act. If Eligible Expenditures to be renounced to the Partnership are reduced due to actions attributable to a particular Limited Partner, such reduction shall first reduce that Limited Partner's *pro rata* share of the Eligible Expenditures, which is otherwise to be allocated to such Limited Partner.

Cash Distributions

Norrep may, on behalf of the Partnership, sell Flow-Through Shares at any time if Norrep is of the opinion that it is in the best interests of the Partnership to do so. The Partnership Agreement provides that the Partnership will not make any distributions unless otherwise determined appropriate by the General Partner in its discretion. Distributions are not guaranteed and there is no assurance that any distributions will be sufficient to satisfy a Limited Partner's tax liability for the year arising from its status as a Limited Partner.

Allocations and Distributions of Capital and Non-Capital Items

Any distribution of capital that is to be made among the Limited Partners pursuant to the Partnership Agreement will be made in proportion to the credit balances in their respective capital accounts as at the end of a Fiscal Year or in the event of dissolution of the Partnership on the date of dissolution.

Any allocation of Income or Loss or distribution of cash of a non-capital nature that is to be made among the Limited Partners pursuant to the Partnership Agreement will be made in proportion to the number of Units held by them at the end of a Fiscal Year or in the event of dissolution of the Partnership on the date of dissolution.

PURCHASES OF SECURITIES

The Offering consists of a minimum of 500,000 Units and a maximum of 2,500,000 Units at a price of $10.00 per Unit. The minimum purchase per Investor is 500 Units. The Subscription Price of $10.00 per Unit was determined

by negotiation between BMO Nesbitt Burns Inc., on behalf of itself and the Agents, and the General Partner, on behalf of itself and the Partnership.

An Investor whose Offer to Purchase is accepted by the General Partner will become a Limited Partner upon the entering of its name and other prescribed information in the record of Limited Partners on or as soon as possible after each Closing. The acceptance by the General Partner (on behalf of the Partnership) of an Investor's Offer to Purchase Units (made through a registered dealer or broker), whether in whole or in part, constitutes, as evidenced by delivery of this prospectus to the Investor, a subscription agreement between the Investor and the Partnership having the terms and conditions set out in this prospectus and in the Partnership Agreement, including the following:

(a) the Investor agrees to appoint an Agent or authorized member of the selling group formed by the Agents, as the Investor's agent and attorney and authorizes the Agent to act as the Investor's agent in connection with the purchase of Units and to delegate all necessary power and authority to any of the Agents or other agents, as the case may be, in contemplation of the foregoing;

(b) the Investor acknowledges that upon becoming a Limited Partner the Investor will be bound by the terms of the Partnership Agreement and liable for all obligations of a Limited Partner, including all the representations, warranties and covenants in the Partnership Agreement;

(c) the Investor represents, warrants and covenants that the Investor is not a "non-resident" for purposes of the Tax Act, that such Investor if a partnership is a "Canadian partnership" for purposes of the Tax Act, that such Investor is not a "non-Canadian" for purposes of the Investment Canada Act, and that the Investor will maintain such status during such time as the Units are held by the Investor, that no interest in the Investor is a "tax shelter investment" as that term is defined in the Tax Act and that the Investor has not financed its acquisition of the Units with a financing for which recourse is or is deemed to be limited for the purposes of the Tax Act;

(d) the Investor represents, warrants and covenants that the Investor is: (i) not a "financial institution" as that term is defined in subsection 142.2(1) of the Tax Act; and (ii) deals at arm's length within the meaning of the Tax Act with the General Partner, Norrep or an Affiliate thereof, unless, in all cases, such Investor has provided written notice to the contrary to the General Partner prior to the date of the acceptance of the Investor's Offer to Purchase;

(e) the Investor represents, warrants and covenants that the Investor is not an Applicable Resource Company and deals at arm's length within the meaning of the Tax Act with any Applicable Resource Company;

(f) the Investor irrevocably nominates, constitutes and appoints the General Partner as the Investor's true and lawful attorney with the full power and authority as set out in the Partnership Agreement and acknowledges that all documents executed and other actions taken on behalf of the Limited Partners pursuant to the power of attorney set out in the Partnership Agreement are binding upon the Investor and the Investor agrees to ratify any of such documents or actions upon request by the General Partner;

(g) the Investor irrevocably authorizes the General Partner to transfer the assets of the Partnership to one or more Mutual Funds and implement the dissolution of the Partnership in connection with the Liquidity Alternative and to file on the Investor's behalf all elections under applicable income tax legislation in respect of such transfer and dissolution; and

(h) the Investor consents to the disclosure of certain information to, and the collection and use by, the General Partner and its service providers of all such information about such Investor that the General Partner or the service providers require pursuant to applicable laws or for applicable tax purposes.

On the Closing Date, one global certificate representing all of the Units which are purchased at Closing will be issued in registered form to CDS or its nominee. Any purchase or transfer of the Units must be made through CDS Participants, which includes securities brokers and dealers, banks, and trust companies. Indirect access to the Book-Entry System is also available to other institutions that maintain custodial relationships with a CDS Participant, either directly or indirectly. Each purchaser of a Unit will receive a customer confirmation of purchase from the CDS Participant from whom such Units are purchased in accordance with the practices and procedures of such CDS Participant.

No Limited Partner will be entitled to a certificate or other instrument from the General Partner or CDS evidencing that person's interest in or ownership of Units, nor, to the extent applicable, will such holder be shown on the records maintained by CDS, except through an agent who is a CDS Participant. Distributions on Units, if any, will be made by the Partnership to CDS which will then be forwarded by CDS to its participants and thereafter to the Limited Partner.

The General Partner, on behalf of the Partnership, has the option to terminate the Book-Entry System through CDS, in which case CDS will be replaced or Unit certificates in fully registered form will be issued to Limited Partners as of the effective date of such termination.

REDEMPTION OF SECURITIES

Units are not redeemable by the Limited Partners. However, a Limited Partner will be deemed to have disposed of its Units to the Partnership for consideration equal to the Net Asset Value at the last Valuation Date prior to the date on which such Limited Partner ceases to be a resident of Canada for purposes of the Tax Act. See "*Securityholder Matters - Non-Residents*".

INCOME TAX CONSIDERATIONS

Introduction

In the opinion of WeirFoulds LLP, counsel to the Partnership and the General Partner, and McCarthy Tétrault LLP, counsel to the Agents, (together, "**Counsel**") the following is, as of the date hereof, a summary of the principal Canadian federal income tax and certain Québec provincial tax considerations applicable to prospective Investors in respect of acquiring, holding and disposing of Units offered under this prospectus. This summary applies only to prospective Investors each of whom at all relevant times for the purposes of the Tax Act is a taxpayer resident in Canada whose Units are capital property, and who pays the subscription price therefor in full when due. A prospective Investor's Units should generally be considered to be capital property of the Investor provided that the Investor does not hold them in the course of carrying on a business of trading in securities and did not acquire them as an adventure or concern in the nature of trade.

This summary does not apply to an Investor (i) that is a "financial institution" as defined in subsection 142.2(1) of the Tax Act; (ii) that is a "principal-business corporation" within the meaning of subsection 66(15) of the Tax Act or whose business includes trading or dealing in rights, licenses or privileges to explore for, drill for or take minerals, petroleum, natural gas or other related hydrocarbons; (iii) that is a corporation which holds a "significant interest" in the Partnership within the meaning of subsection 34.2(1) of the Tax Act; (iv) that is exempt from tax under Part I of the Tax Act; (v) that is a partnership or trust, or (vi) who makes a functional currency reporting election under the Tax Act; (vii) an interest in which is a "tax-shelter investment" as defined in the Tax Act; or (viii) that has entered or will enter into a "derivative forward agreement" as defined in the Tax Act, with respect to the Units.

This summary assumes that no Limited Partner or any person who does not deal at arm's length with a Limited Partner is entitled, whether immediately or in the future and either absolutely or contingently, to receive or obtain in any manner whatsoever, any amount or benefit (other than a benefit described in this prospectus), for the purpose of reducing the impact of any loss that the Limited Partner may sustain by virtue of being a Limited Partner or the holding or disposition of Units. This summary also assumes that interests in the Partnership that represent more than 50% of the fair market value of all interests in the Partnership are not and will not be held by one or more "financial institutions" as defined in section 142.2 the Tax Act.

This summary does not address the tax consequences associated with holding, converting or disposing of shares of a Mutual Fund or any other assets that a Limited Partner may receive on the dissolution of the Partnership.

This summary assumes that Flow-Through Shares and other equity securities of Resource Companies will be capital property to the Partnership and that the Partnership will not at any time be a "specified person" within the meaning of the Tax Act in relation to any Resource Company with which it has entered into a Flow-Through Investment Agreement. This summary also assumes that each Limited Partner will at all relevant times for purposes of the Tax Act, be resident in Canada and deal at arm's length with the Partnership and with each Resource Company with which the Partnership has entered into a Flow-Through Share Agreement, and that no Resource Company will have a "prohibited relationship", within the meaning of the Tax Act, with the Partnership or any other partnership of which the Partnership is a member.

Unless otherwise stated, this summary assumes that recourse for any financing by a Limited Partner of the subscription price for Units is not limited, and is deemed not to be limited for purposes of the Tax Act.

The income tax consequences to a prospective Investor will vary depending on a number of factors including whether the Limited Partner's Units are capital property, the province or territory in which the Investor resides, carries on business or has a permanent establishment, the amount that would be the Investor's taxable income but for the Investor's interest in the Partnership, and the legal characterization of the purchaser as an individual, corporation, trust or partnership.

This summary assumes that Units will not at any material time be listed or traded on a "stock exchange" or other "public market", within the meaning of the Tax Act, and that there will not be at any material time, any other right that is so listed or traded and which may reasonably be considered to replicate a return on, or the value of, a Unit.

This summary is based on the current provisions of the Tax Act and Counsel's understanding of the current publicly available administrative practices and assessing policies of the Canada Revenue Agency (the "**CRA**") published in writing by it prior to the date hereof. This summary also takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (collectively, the "**Tax Proposals**"). It is assumed that there will be no change to any such administrative practices or assessing policies, and that the Tax Proposals will be enacted as currently proposed, although no assurance can be given in these respects. This summary does not otherwise take into account or anticipate any other change in law whether by judicial, governmental or legislative decision or action, and does not take into account any other Federal, provincial (except certain Québec), territorial or foreign tax legislation or considerations.

There is a risk that the Liberal CEE Initiative may reduce or eliminate tax savings under the Tax Act associated with an investment in Flow-Through Shares. As part of its 2015 federal election platform, the now elected Liberal government announced its intention to reduce fossil fuel subsidies and that, as a first step in achieving that goal, the availability of CEE deductions would be limited to cases of unsuccessful exploration. The material in the pre-election fiscal plan indicated that the phase out would commence in the 2017/18 fiscal year. After the election, the Prime Minister directed the Minister of Finance in a mandate letter that one of his "top priorities" should be to "develop proposals to allow Canadian Exploration Expenses tax deductions only in cases of unsuccessful exploration and re-direct any savings to investments in new clean technologies."

Federal Budget 2017 announced measures that, if enacted, will (i) eliminate the ability of Resource Companies to incur Qualifying CDE after 2018 and renounce it as CEE, and (ii) classify certain expenses incurred after 2018 related to drilling or completing a discovery well (or in building a temporary access road to, or in preparing a site in respect of, any such well) as CDE (currently, such expenses are CEE). Counsel has been advised by the General Partner that the Partnership will not enter into any Flow-Through Investment Agreement which contemplates Eligible Expenditures being incurred after 2018. Accordingly, these Tax Proposals, if enacted as proposed, are not expected to impact expenses renounced to the Partnership. To what extent, if any, further proposals will be introduced as part of the Liberal CEE Initiative and the impact of any such proposals on the Flow-Through Share regime in the Tax Act is unclear. There is also no certainty that the proposed changes will be enacted into law, either as proposed or at all. See "*Forward-Looking Statements*".

This summary is of a general nature only and is not, and is not to be construed as, legal or tax advice to any particular Investor. Accordingly, each prospective Investor should obtain independent advice from the Investor's own tax advisers regarding the income tax consequences of acquiring Units pursuant to this prospectus, and of holding and disposing of those Units, applicable to the Investor's particular circumstances.

Eligibility for Investment

In the opinion of WeirFoulds LLP, counsel to the Partnership, and McCarthy Tétrault LLP, counsel to the Agents, the Units are **not** qualified investments under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, registered disability savings plans, deferred profit sharing plans or tax-free savings accounts for purposes of the Tax Act.

Taxation of the Partnership

General

The Partnership is not an entity that is generally subject to tax under the Tax Act. However, the Tax Act contains rules that impose an income tax on certain publicly-traded partnerships. Based on the assumptions above, the Partnership should not be subject to these rules.

The income or loss of the Partnership will be computed as if the Partnership were a separate person resident in Canada without taking into account any deduction in respect of, among other things, CEE or CDE. Any CEE or CDE renounced to the Partnership will be allocated, in accordance with the Partnership Agreement and the Tax Act, to those persons who are Limited Partners of the Partnership at the end of the fiscal year of the Partnership which includes the effective date on which the CEE or CDE is renounced, and will be deductible by them as described below (see "*Taxation of Limited Partners – CEE and CDE Renounced to the Partnership*").

The income of the Partnership will include the taxable portion of any capital gain that it realizes on a disposition of Flow-Through Shares or other equity securities of Resource Companies. The Tax Act deems the cost to the Partnership of any Flow-Through Shares which it acquires to be nil and, therefore, the amount of such capital gain generally will equal the proceeds of disposition of the Flow-Through Shares, net of reasonable costs of disposition.

The CRA has indicated that although it generally considers a short sale of shares to be on income account, it would consider a short sale entered into in order to hedge a taxpayer's position with respect to identical shares held on capital account to be a short sale that is on capital account. Accordingly, depending on the circumstances, gains or losses realized by the Partnership on short sale transactions may be capital gains or capital losses, although there is no assurance that, depending on such circumstances, the CRA will not regard them as giving rise to income gains, the full amount of which are required to be included in the computation of the income of the Partnership. A Limited Partner's share of such a gain or loss that otherwise would be considered to be on income account may in some circumstances be deemed to be a capital gain or capital loss if the Limited Partner has irrevocably elected under subsection 39(4) of the Tax Act to deem every actual and deemed disposition of "Canadian securities" by the Limited Partner to be a disposition of capital property.

The costs associated with the organization of the Partnership are not immediately deductible by the Partnership or the Limited Partners. Organization expenses incurred by the Partnership will be added to a capital cost allowance class that may be deductible by the Partnership at the rate of 5% per year on a declining balance basis, subject to the typical rules applicable under the capital cost allowance regime.

Counsel has been advised by the General Partner that the Partnership intends to borrow sufficient funds under the Loan Facility to pay certain expenses and fees that it will incur in respect of the Offering, consisting primarily of the Agents' commissions, the expenses of the Offering, and the Operating Costs. The unpaid principal amount of such indebtedness will be deemed to be a limited recourse amount of the Partnership the effect of which will be to reduce, for purposes of the Tax Act, the amount of otherwise deductible expenses of the Partnership by that portion of the indebtedness that may reasonably be considered to relate to the expenses. As a result, the Partnership will not be permitted to deduct any portion of the amount by which such expenses are reduced in computing its income for the

fiscal year the expenses are incurred. The Partnership will be deemed to have incurred the disallowed expenses in a subsequent fiscal year to the extent, if any, that it repays the principal amount of the indebtedness, provided the repayment is not part of a series of loans and repayments. Therefore, such Agents' commissions, expenses of the Offering, and the Operating Costs (to the extent they are reasonable in amount) will generally be deductible in the case of the Agents' commissions and expenses of the Offering, as to 20% in the year of repayment and as to 20% in each of the four subsequent years, prorated for short fiscal years, and in the case of the Operating Costs, as to 100% in the year of repayment. The Partnership will not be entitled to deduct any amount in respect of Agents' commission and expenses of the Offering in its fiscal year ending on its dissolution. After dissolution of the Partnership, Limited Partners will be entitled to deduct, at the same rate, their *pro rata* share of any such expenses that were not deductible by the Partnership. The adjusted cost base of a Limited Partner's Units will be reduced on dissolution of the Partnership by the Limited Partner's share of such expenses.

The Partnership has engaged the General Partner to perform management services and will pay fees to the General Partner, or to a permitted designee of the General Partner to the extent the General Partner has delegated the performance of its duties to the permitted designee. The General Partner has the power and duty to manage the Partnership and delegates certain management powers and duties, such as the powers and duties of an investment fund manager and portfolio manager to Norrep. The fees for these duties form part of the Operating Costs and will be deducted as detailed above. The CRA may assert that an entitlement of the General Partner to any such fees is more appropriately treated as an entitlement to share in any income of the Partnership as a partner and, therefore, does not result in a deduction in computing the Partnership's income. If the CRA successfully applied any such treatment then a loss of the Partnership otherwise allocable to the Limited Partners would be correspondingly reduced to the extent of such deduction and income otherwise allocable to the Limited Partners potentially would be increased.

CEE and CDE of the Partnership

Provided that certain conditions in the Tax Act are fulfilled, the Partnership will be deemed to incur CEE and CDE renounced to the Partnership by Resource Companies pursuant to Flow-Through Investment Agreements for the purchase of Flow-Through Shares on the effective date of the renunciation. Provided that certain further conditions in the Tax Act are fulfilled, certain CEE and Qualifying CDE incurred or to be incurred in 2018 pursuant to a Flow-Through Investment Agreement entered into in 2017 may be renounced as CEE effective December 31, 2017 provided that the renunciation is made in January, February or March 2018.

Provided that certain conditions in the Tax Act are fulfilled, a limited amount of Qualifying CDE incurred by a Resource Company before 2019 and renounced to the Partnership pursuant to a Flow-Through Investment Agreement for the purchase of Flow-Through Shares may be deemed to be CEE incurred by the Partnership on the effective date of the renunciation. For the purposes of the following discussion, all references to CEE includes Qualifying CDE renounced to the Partnership which is deemed to be CEE incurred by the Partnership.

Counsel has been advised by the General Partner that the Flow-Through Investment Agreements for the purchase of Flow-Through Shares may permit a Resource Company, where the applicable conditions are satisfied, to incur CEE at any time up to December 31, 2018 and to renounce such CEE to the Partnership with an effective date of December 31, 2017.

Counsel has been advised by the General Partner that: (a) each Flow-Through Investment Agreement for the purchase of Flow-Through Shares will require the relevant Resource Company to incur and renounce to the Partnership Eligible Expenditures in an amount equal to the aggregate subscription price paid for such Flow-Through Shares, of which a specified amount shall be CEE and the balance shall be CDE; and (b) each Flow-Through Investment Agreement entered into by the Partnership during 2017 will permit the relevant Resource Company to incur Eligible Expenditures that constitute CEE at any time up to December 31, 2018 or Eligible Expenditures that constitute CDE at any time up to December 31, 2017 provided that the Resource Company agrees to renounce all such Eligible Expenditures to the Partnership with an effective date on or before December 31, 2017.

Counsel has been advised by the General Partner that the Flow-Through Investment Agreements for the purchase of Flow-Through Shares will generally provide that, if the Resource Company fails to renounce Eligible Expenditures equal to the subscription price for the Flow-Through Shares or fails to renounce CEE, and CDE in the proportion specified in the Flow-Through Investment Agreements, the Limited Partners will be entitled to be indemnified, to the extent permitted by the Tax Act, by the Resource Company for failure to satisfy such obligations (an "**Indemnity Payment**"). The CRA has taken the position that an Indemnity Payment received by a Limited Partner would be included in calculating the Limited Partner's income but the Limited Partner may make an election under subsection 12(2.2) of the Tax Act to exclude it.

If CEE renounced in January, February or March 2018 effective December 31, 2017 is not, in fact, incurred in 2018, the Partnership will have its CEE reduced accordingly as of December 31, 2017. The further result is that CEE previously allocated by the Partnership to Limited Partners as of December 31, 2017 will also be reduced accordingly and the Limited Partners may be reassessed by the CRA as a result. However, none of the partners of the Partnership will be charged interest on any unpaid tax arising as a result of such reduction until May 2019.

The Partnership will not include Eligible Expenditures effectively renounced to it in a fiscal year in computing its income or loss for the fiscal year. Such Eligible Expenditures will instead be allocated to Limited Partners in accordance with the Partnership Agreement and the Tax Act, and will be deductible by Limited Partners as discussed in detail below (see "*Taxation of Limited Partners – CEE and CDE Renounced to the Partnership*").

Taxation of Limited Partners

Limited Partners' Share of Income and Loss of the Partnership

Each Limited Partner will be required to include in its income or loss for a taxation year the Limited Partner's *pro rata* share of the income or (subject to the "at-risk" and "limited recourse" rules discussed below) loss for each fiscal year of the Partnership ending in, or at the end of, the taxation year, whether or not the Limited Partner has received or will receive a distribution from the Partnership. The fiscal year of the Partnership generally ends on December 31 in each calendar year, and will end on the dissolution of the Partnership.

Subject to the "at-risk" and "limited recourse" rules discussed below (see "*Taxation of Limited Partners – Limitations on Deductibility of CEE, CDE, or Losses of the Partnership*" below), a Limited Partner will generally be entitled to deduct the Limited Partner's share of the losses of the Partnership from a business or property for a fiscal year against the Limited Partner's income from any other source for the relevant taxation year and, to the extent not so deductible, against the Limited Partner's income from any source in any of the three preceding or twenty following taxation years.

Each person who is a member of the Partnership in a year will also be required to file an information return on or before the last day of March in the following year in respect of the activities of the Partnership or, where the Partnership is dissolved, within 90 days of the dissolution. A return made by any partner will be deemed to have been made by each member of the Partnership. Under the Partnership Agreement, the General Partner is required to file the necessary information returns.

CEE and CDE Renounced to the Partnership

A Limited Partner who is a member of the Partnership at the end of a fiscal year of the Partnership will be entitled to have any portion of the CEE or CDE renounced to the Partnership in that fiscal year allocated to the Limited Partner. The Limited Partner generally will be entitled to add the Limited Partner's share of such CEE or CDE to such partner's cumulative CEE or cumulative CDE account, as the case may be. The Limited Partner's share of CEE or CDE incurred by the Partnership in the fiscal year will be considered for these purposes to be limited to the Limited Partner's "at-risk amount" in respect of the Partnership at the end of the fiscal year (see "*Taxation of Limited Partners – Limitations on Deductibility of CEE, CDE and Losses of the Partnership*"). If the Limited Partner's share of CEE or CDE is so limited, any excess will be added to the Limited Partner's share, as otherwise determined, of the CEE or CDE incurred by the Partnership in the Partnership's immediately following fiscal year, again subject to the "at-risk amount" limitation discussed below.

A Limited Partner may deduct such amount as the Limited Partner may claim up to 100% of the balance of the Limited Partner's cumulative CEE account, and up to 30% of the balance of the Limited Partner's cumulative CDE account, at the end of that taxation year in computing the Limited Partner's income from all sources for the taxation year. The Limited Partner generally may carry forward indefinitely any undeducted balance of the Limited Partner's cumulative CEE account or cumulative CDE account and deduct it at the applicable rate against the Limited Partner's income from any source in any subsequent taxation year.

A Limited Partner's cumulative CEE account will be reduced by CEE deductions claimed in prior years, as well as by deductions of the investment tax credit (described below under "*Flow-Through Mining Expenditure Investment Tax Credit*") claimed in prior years, and by the Limited Partner's share of any amount that the Partnership received or is entitled to receive as assistance in respect of CEE incurred, or that can reasonably be considered to relate to Canadian exploration activities. A Limited Partner's cumulative CDE account will be reduced by CDE deductions claimed in prior years. A Limited Partner whose cumulative CEE account or cumulative CDE account at the end of a taxation year is a negative amount will be required to include the negative amount or amounts in income for the taxation year, and the Limited Partner's cumulative CEE or cumulative CDE account at the end of the year, as applicable, will then be increased to nil.

The sale or other disposition of Units by a Limited Partner, or by the Partnership of any Flow-Through Shares, will not reduce the Limited Partner's cumulative CEE or cumulative CDE account.

Flow-Through Mining Expenditure Investment Tax Credit

A Limited Partner who is an individual may be entitled to a 15% federal non-refundable investment tax credit in respect of certain "grass roots" CEE incurred or deemed to have been incurred by the Partnership before 2018, including CEE incurred in 2018 by a Resource Company and renounced with an effective date in 2017 (in accordance with the Tax Act) for Flow-Through Investment Agreements made before April 2017. Tax Proposals released on April 7, 2017 will, if enacted as proposed, extend the availability of this tax credit for another year such that they would apply to Flow-Through Investment Agreements made before April 2018 in respect of CEE incurred or deemed to be incurred before 2019. The amount of such tax credits used by the Limited Partner to reduce his or her tax otherwise payable in a taxation year will reduce the Limited Partner's cumulative CEE account in the following taxation year. As discussed above under "*Taxation of Limited Partners – CEE and CEE Renounced to the Partnership*", if such reduction causes the Limited Partner's cumulative CEE account balance at the end of that following taxation year to be a negative the amount, the Limited Partner will be required to include that negative amount in income in that following taxation year, and his or her cumulative CEE account will then be increased to nil. Therefore, a Limited Partner who deducts the credit in 2017 will be required to include in income in 2018 the amount so deducted unless the Limited Partner has a sufficient offsetting balance in his or her cumulative CEE account in 2018. Certain provinces provide for similar non-refundable investment tax credits for use in computing the provincial income tax liability, generally, of individuals resident in the province and in respect of such CEE incurred in that province. There is no assurance that amounts incurred and renounced by Resource Companies to the Partnership will be of a nature to allow a Limited Partner to claim any of the tax credits described above.

Limitations on Deductibility of CEE, CDE or Losses of the Partnership

A Limited Partner will only be entitled, in computing its income for a taxation year, to deduct the Limited Partner's share of any loss of the Partnership in respect of a fiscal year that ended in the taxation year against income from all sources in the taxation year to the extent that the share of the Partnership's loss does not exceed the Limited Partner's "at-risk amount" in respect of the Partnership at the end of the fiscal year. Any such excess in general will be added to the Limited Partner's "limited partnership losses" in respect of the Partnership, and may be deducted by the Limited Partner against the Limited Partner's share of the income of Partnership allocated to it in any subsequent taxation year.

Subject to the detailed at-risk rules in the Tax Act, a Limited Partner's at-risk amount generally will be the amount actually paid by the Limited Partner for Units, plus the amount of any Partnership income (including the full amount of any Partnership capital gains realized by the Partnership) allocated to the Limited Partner for completed fiscal periods, less the Limited Partner's share of Eligible Expenditures renounced to the Partnership and allocated by

it to the Limited Partner, the amount of any Partnership losses allocated to the Limited Partner (including those resulting from the deduction of the Agents' commissions, expenses of the Offering, and the Operating Costs upon the repayment of the funds borrowed to pay such expenses) and the amount of any distributions from the Partnership. A Limited Partner's "at-risk" amount may be reduced by certain benefits or in circumstances where amounts are owed to the Partnership by the Limited Partner.

A Limited Partner's share of Eligible Expenditures or other expenses or losses of the Partnership may be reduced by the amount of the unpaid principal balance of any loan or other indebtedness incurred by the Limited Partner that can reasonably be considered to relate to the Limited Partner's acquisition of Units if such unpaid principal balance is a limited recourse amount.

Any prospective Investor who proposes to incur a loan or other indebtedness to finance the acquisition of some of all of the Investor's Units should consult with the Investor's own tax advisers.

The CEE, CDE or other expenses incurred by the Partnership may in some circumstances be reduced by the amount, if any, of the unpaid principal balance of any loan or other indebtedness incurred by a Limited Partner that can reasonably be considered to relate to the acquisition of Units. The Partnership Agreement provides that (i) the amount of such reduction of CEE or CDE or other expense shall be applied to reduce the share of the CEE or CDE that would otherwise be allocated to the Limited Partner who incurred the limited recourse financing, and (ii) the amount, if any, by which such reduction of other expenses reduces the loss of the Partnership shall first reduce the amount of the loss that would otherwise be allocated to the Limited Partner who incurred the limited recourse financing.

Income Tax Instalments

A Limited Partner who is an employee and subject to income tax source deductions on his or her employment income may request the CRA to authorize a reduction of such source deductions by the Limited Partner's employer, which request may be granted at the discretion of the CRA.

A Limited Partner who is required to pay income tax on an instalment basis may generally be entitled to take into account the Limited Partner's share, subject to the "at-risk" rules, of any CEE, CDE, and losses of the Partnership in determining their instalment remittances.

Disposition of Units

The cost to a Limited Partner of the Limited Partner's Units will be the subscription price paid for such Units and any other cost incurred by the Limited Partner to acquire Units. The adjusted cost base of the Limited Partner's Units at any time will be reduced by the Limited Partner's share of CEE, CDE and any losses of the Partnership for fiscal years of the Partnership ending before that time (in each case after taking into account the "at-risk" and "limited recourse amount" rules), and by amounts distributed to the Limited Partner before such time, and will be increased by the Limited Partner's share of any income of the Partnership, including the full amount of any capital gain realized by the Partnership, for fiscal years of the Partnership ending before that time. The adjusted cost base of a Limited Partner's Units will be reduced on dissolution of the Partnership by issue expenses of the Partnership that are deductible by the Limited Partner as described above under "*Taxation of the Partnership – General*").

A Limited Partner who disposes of a Unit in a taxation year, including on the dissolution of the Partnership, will realize a capital gain (or capital loss) to the extent that the Limited Partner's proceeds of disposition, net of reasonable costs of disposition, exceed (or are less than) the Limited Partner's adjusted cost base. Generally, the Limited Partner must include one half of any capital gain so realized (a taxable capital gain) in income for the taxation year, and will be entitled to deduct one half of any capital loss so realized (an allowable capital loss) against taxable capital gains realized in the year and, to the extent not so deductible, against taxable capital gains in any of the three preceding taxation years or any subsequent taxation year in accordance with detailed rules in the Tax Act.

A Limited Partner whose adjusted cost base of a Unit at the end of a fiscal year of the Partnership is a negative amount will be required to include one half of the negative amount in income as a taxable capital gain in the Limited

Partner's taxation year in which the fiscal year ends. The adjusted cost base of the Limited Partner's Units will then be increased to nil.

A Limited Partner who is considering disposing of Units during a fiscal year of the Partnership should obtain tax advice before doing so since ceasing to be a Limited Partner before the end of the Partnership's fiscal year may affect certain adjustments to adjusted cost base of the Limited Partner's Units and the Limited Partner's entitlement to a share of the Partnership's income, loss, CEE or CDE for the fiscal year.

A Limited Partner that is a Canadian-controlled private corporation (as defined in the Tax Act) may be subject to a refundable tax of 10⅔% in respect of certain investment income including taxable capital gains.

Dissolution of the Partnership

The Partnership Agreement provides that the Partnership may be dissolved on or before September 30, 2018 if a Liquidity Alternative is implemented, or December 31, 2018, as the case may be. The tax consequences to Limited Partners of the dissolution of the Partnership will depend on the nature of transactions undertaken in the course of the liquidation and dissolution of the Partnership. Prior to such dissolution, all amounts outstanding under the Loan Facility, including all interest accrued thereon, and all other amounts owing to creditors of the Partnership, will be repaid in full before any distribution of Partnership assets is made to Limited Partners.

If the Partnership disposes of its assets to a Mutual Fund (and such Mutual Fund is a "taxable Canadian corporation" for purposes of the Tax Act) in exchange for shares of the Mutual Fund then, provided that appropriate elections under the Tax Act are made and filed in a timely manner, and subject to complying with other requirements set out in the Tax Act, the Partnership will not realize any taxable capital gain as a result of the disposition. Provided that the Partnership is dissolved within 60 days after the disposition of the assets to the Mutual Fund and certain other requirements in the Tax Act are satisfied, the shares of the Mutual Fund may be distributed to the Limited Partners without Limited Partners' being subject to tax in respect of the distribution. Each Limited Partner will acquire the shares of the Mutual Fund that are so distributed to the Limited Partner at a cost equal to the adjusted cost base of the Limited Partner's Units determined immediately before the distribution.

If the Partnership does not transfer its assets to the Mutual Fund, each Partner will acquire an undivided interest in each property of the Partnership, including shares and warrants of Resource Companies (including Flow-Through Shares) owned by the Partnership. It is assumed that each share and warrant, and any other fungible assets, will thereafter be partitioned and each Partner will be allocated the Limited Partner's *pro rata* share of each share, warrant or other fungible asset.

On dissolution of the Partnership in accordance with the Partnership Agreement, assuming the appropriate election is made and certain other conditions are satisfied, each Limited Partner will be deemed to have disposed of the Limited Partner's Units for proceeds of disposition equal to the greater of (i) the adjusted cost base thereof, and (ii) the aggregate of any money received by the Limited Partner from the Partnership on the dissolution and the Limited Partner's share of the cost amount to the Partnership of such property distributed by the Partnership on the dissolution. The Limited Partner will receive the Limited Partner's share of the assets of the Partnership (which are expected to consist of cash and shares and warrants of Resource Companies). The cost to a Limited Partner of the Limited Partner's undivided interest in a share or warrant will generally be the Limited Partner's *pro rata* share of the cost to the Partnership of that share or warrant.

Provided that shares may be partitioned under the relevant law, it is the CRA's position that shares may be partitioned on a tax-deferred basis. It would be reasonable for such position to extend to warrants and other fungible assets.

Assuming that (i) no shares or warrants of Resource Companies other than Flow-Through Shares are acquired by the Partnership, (ii) no property other than cash is distributed to the partners of the Partnership before the dissolution of the Partnership, and (iii) each Flow-Through Share may be partitioned on a tax-deferred basis, the dissolution of the Partnership will generally result in the Limited Partners who acquired their Units pursuant to the Offering and who hold such Units as at the date of the dissolution of the Partnership acquiring Flow-Through Shares at

a nil cost. Consequently, such a Limited Partner who a subsequently disposes of Flow-Through Shares will generally realize a capital gain equal to the whole of the proceeds of disposition less reasonable costs of disposition.

Alternative Minimum Tax

The Tax Act requires that individuals (including certain trusts) compute an alternative minimum tax determined by reference to the amount by which the individual's "adjusted taxable income" for the year exceeds the Limited Partner's basic exemption which, in the case of an individual (other than certain trusts), is $40,000. In computing the Limited Partner's adjusted taxable income, a taxpayer must include, among other things, all taxable dividends (without application of the gross-up), and 80% of net capital gains. Various deductions and credits will be denied including amounts in respect of CEE, CDE, any losses of the Partnership, and all amounts deductible in computing the individual's income for the year in respect of the Units. A federal tax rate of 15% is applied to the amount subject to the minimum tax, from which the individual's "basic minimum tax credit for the year" is deducted. Included in the basic minimum tax credit are certain specified personal and other credits available to an individual under the Tax Act as deductions from tax payable for the year (but not investment tax credits). Generally, if the minimum tax so calculated exceeds the tax otherwise payable under the Tax Act, the minimum tax will be payable.

Tax Shelter

The federal and Québec tax shelter identification number in respect of the Partnership are TS085928 and QAF-17-01670, respectively. The identification numbers issued for this tax shelter must be included in any income tax return filed by the investor (i.e., Limited Partner). Issuance of the identification numbers is for administrative purposes only and does not in any way confirm the entitlement of an investor to claim any tax benefits associated with the tax shelter. Le numéro d'identification attribué à cet abri fiscal doit figurer dans toute déclaration d'impôt sur le revenu produite par l'investisseur. L'attribution de ce numéro n'est qu'une formalité administrative et ne confirme aucunement le droit de l'investisseur aux avantages fiscaux découlant de cet abri fiscal.

Counsel has been advised that the General Partner will file all necessary tax shelter information returns and, where applicable, provide each Limited Partner with copies thereof.

Taxation of Registered Plans

As discussed under "*Eligibility for Investment*" above, Units are not qualified investments under the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans, registered disability savings plans, deferred profit sharing plans or tax-free savings accounts for purposes of the Tax Act. Investors who purchase Units through such a registered plan will be subject to material adverse tax consequences as a result.

Tax Implications of the Investment Fund's Distribution Policy

The distribution policy of the Partnership is described above under "*Distribution Policy – Cash Distributions*". As described above under "*Income Tax Considerations – Disposition of Units*", distributions will reduce the adjusted cost base of a Limited Partner's Units and where, at the end of a fiscal year of the Partnership, the adjusted cost base to a Limited Partner of a Unit is a negative amount, the Limited Partner will be required to include one half of the negative amount in income as a taxable capital gain in the Limited Partner's taxation year in which the fiscal year ended. The adjusted cost base of the Limited Partner's Units will then be increased to nil.

Certain Québec Tax Considerations

The Québec Tax Act provides that where an individual taxpayer incurs, in a given taxation year, "investment expenses" to earn "investment income" in excess of the investment income earned for that year, such excess shall be included in the taxpayer's income, resulting in an offset of the deduction for such portion of the investment expenses. For these purposes, investment expenses include certain deductible interest and losses, such as losses of the Partnership allocated to such Québec Limited Partner who is an individual and 50% of CEE and CDE renounced to the Partnership and allocated to, and deducted for Québec tax purposes, by such Québec Limited Partner, other than CEE

and CDE incurred in Québec, and investment income includes taxable capital gains not eligible for the lifetime capital gains exemption. Accordingly, up to 50% of CEE and CDE renounced to the Partnership and allocated to, and deducted for Québec tax purposes, by such Québec Limited Partner, other than CEE and CDE incurred in Québec, may be included in the Québec Limited Partner's income for Québec tax purposes if such Québec Limited Partner has insufficient investment income, thereby offsetting such deduction. The portion of the investment expenses (if any) which have been included in the taxpayer's income in a given taxation year may be deducted against investment income earned in any of the three previous taxation years and any subsequent taxation year.

An alternative minimum tax also exists under the Québec Tax Act under which a basic exemption of $40,000 is available and the net capital gain inclusion rate is 80%. The Québec alternative minimum tax rate is 16%.

A Québec Limited Partner should specifically consult a tax professional with respect to the Québec provincial tax considerations applicable to acquiring, holding and disposing of Units, including the impact of alternative minimum tax, the impact of investment expenses exceeding investment income for a taxation year and certain possible additional deductions pursuant to the Québec Tax Act in respect of CEE incurred in the Province of Québec and renounced to the Partnership by Resource Companies that are qualified corporations for the purposes of the Québec Tax Act.

ORGANIZATION AND MANAGEMENT DETAILS OF THE PARTNERSHIP

The General Partner

The General Partner was incorporated under the laws of the Province of Alberta on March 1, 2017 and its registered office is located at Suite 600, 815 – 8th Avenue S.W., Calgary, Alberta, T2P 3P2. The principal place of business of the General Partner is 1100, 606 - 4 Street SW, Calgary, Alberta, T2P 1T1. The General Partner will not engage in any business other than acting as the general partner of the Partnership and such other similar limited partnerships as the General Partner may determine from time to time.

The Partnership Agreement provides that Partnership funds shall not be commingled with the General Partner's funds.

The sole voting shareholder of the General Partner as of the date hereof is Norrep Group. See "*Interest of Management and Others in Material Transactions*".

Officers and Directors of the General Partner

The names, municipalities of residence and positions held by each director and officer of the General Partner are set out below:

Name and Municipality of Residence	Position	Principal Occupation
Alexander M. Sasso Mississauga, Ontario	President, Chief Executive Officer and a Director[(1)]	Chief Executive Officer and Portfolio Manager, Norrep
R. Stevenson (Steve) Smith Calgary, Alberta	Chief Financial Officer and a Director[(1)]	Vice President, Chief Financial Officer and Portfolio Manager, Norrep
Keith Leslie Calgary, Alberta	Vice President and a Director[(1)]	Vice President, Chief Compliance Officer, Chief Risk Officer and Portfolio Manager, Norrep

Note:

1. Mr. Sasso, Mr. Smith and Mr. Leslie have served as directors of the General Partner since inception on March 1, 2017. Each director will continue to serve as a director of the General Partner until he resigns or his successor is duly elected or appointed by Norrep Group, as the sole shareholder of the General Partner.

Set forth below are the particulars of the principal occupations of each director and officer of the General Partner for the past five years.

Alex Sasso is the Chief Executive Officer and a Portfolio Manager of Norrep. Alex leads Norrep's small/mid cap investment team and oversees the execution of the firm's strategy. Prior to joining Norrep in 2004, Alex was a mutual fund and institutional portfolio manager for Altamira Management and a member of the firm's private equity team. Earlier in his career, Alex was a research analyst on Altamira's North American Recovery Fund. Alex has 24 years of investment experience and holds a Bachelor of Commerce degree from the University of Windsor. Alex is a CFA charterholder and a shareholder of Norrep Group.

R. Stevenson (Steve) Smith is the Vice President, Chief Financial Officer and a Portfolio Manager of Norrep. Steve leads Norrep's energy investment team as well as the firm's finance and accounting function. Prior to joining Norrep in 2007, Steve was Vice President and Director – Institutional Research with FirstEnergy Capital. Steve's experience includes time as an institutional research analyst at Orion Securities and BMO Nesbitt Burns. Earlier in his career, Steve spent 12 years as an executive in the oil and gas industry. Steve has 21 years of investment experience and holds a Bachelor of Arts degree from the University of Western Ontario as well as an accounting diploma from Wilfrid Laurier University. Steve is a Chartered Accountant and a shareholder of Norrep Group.

Keith Leslie is the Vice President, Chief Compliance Officer, Chief Risk Officer and a Portfolio Manager of Norrep. Keith is responsible for securities regulatory compliance for Norrep and its investment funds. Keith leads Norrep's quantitative investment team and the firm's risk management function. As a quantitative portfolio manager, Keith brings a different perspective to the investment process through his use of statistical techniques, valuation tools and modeling. Prior to joining Norrep in 2001, Keith worked as a Quantitative Analyst with Bissett Investment Management. Keith has 17 years of investment experience and holds a Bachelor of Science degree in Statistics and Mathematics from the University of Western Ontario. Keith is a CFA charterholder and a shareholder of Norrep Group.

Although none of Messrs. Sasso, Leslie or Smith are employees or independent contractors of the Partnership or the General Partner and will not devote their full time to the business and affairs of the Partnership or the General Partner, each will devote as much time as is necessary for the management of the business and affairs of the General Partner and the Partnership.

Officers and directors of the General Partner and their associates may purchase Units, provided however that the aggregate number of Units purchased by such persons shall not exceed 25% of the Units sold at each Closing of the Offering. The directors hold office until the next annual meeting of the shareholders of the General Partner or until they resign or their successors are elected or appointed.

The Fund Manager and Portfolio Manager

Norrep was incorporated under the laws of the Province of Alberta on December 21, 1995 as "679175 Alberta Ltd." and its registered office is located at Suite 600, 815 – 8th Avenue S.W., Calgary, Alberta, T2P 3P2. On January 10, 1996, the company changed its name to "Oliver Capital Management Ltd."; on February 16, 1999, it changed its name to "Hesperian Capital Management Ltd."; and on December 1, 2014, it changed its name to "Norrep Capital Management Ltd.". The principal place of business of Norrep is 1100, 606 - 4 Street SW, Calgary, Alberta, T2P 1T1. Norrep is the Fund Manager and Portfolio Manager of the Partnership and will provide advice on investments and manage the Partnership's investment portfolio as well as provide management, administrative and other services to the Partnership on behalf of the General Partner from its principal offices in Calgary, Alberta.

Norrep is a portfolio management firm which specializes in investing in North American small and mid-capitalization equities and Canadian energy equities. Norrep is an experienced Canadian provider of niche investment solutions to investors and their advisors. Being based in Calgary, Alberta, Canada's oil and gas capital, has allowed Norrep to develop strong relationships in the oil and gas community that may provide the Partnership with superior access to Flow-Through Shares. Norrep was the investment fund manager and portfolio manager of each of the Prior Partnerships. Norrep currently manages approximately $1.00 billion in investment assets through 13 public mutual funds, alternative investment funds, the 2016 Partnership, private investment funds and investment portfolios for individuals.

Duties and Services to be Provided by the Fund Manager and Portfolio Manager

Norrep is the Fund Manager and Portfolio Manager of the Partnership and will provide advice on investments and manage the Partnership's investment portfolio as well as provide management, administrative and other services to the Partnership on behalf of the General Partner. See "*Details of the Investment Management Agreement*".

Execution of the Partnership's Investment Strategy

The individual who will have primary responsibility for the execution of the Partnership's investment strategy and investment decisions is R. Stevenson (Steve) Smith and such decisions are not subject to oversight, approval or ratification by a committee. For Steve Smith's biography and business experience in the last five years see "Organization and Management Details of the Partnership - Officers and Directors of the Fund Manager and Portfolio Manager".

Details of the Investment Management Agreement

Pursuant to the Investment Management Agreement, Norrep is appointed as the Fund Manager and the Portfolio Manager of the Partnership. Norrep will provide advice on investments and manage the Partnership's investment portfolio as well as provide management, administrative and other services to the Partnership on behalf of the General Partner. Norrep is appointed as the exclusive manager of all investments on behalf of the Partnership and as such has the exclusive authority to make all investment decisions with respect to the Available Funds. Norrep will also provide the General Partner with office facilities, equipment and staff as required and the General Partner will reimburse Norrep for such services rendered by Norrep, the cost of which will be borne by the General Partner and not reimbursed by the Partnership.

The General Partner may terminate the Investment Management Agreement in whole or in respect of the Partnership upon written notice if certain "Events of Default" (as defined in the Investment Management Agreement) occur or if an "Event of Insolvency" (as defined in the Investment Management Agreement) occurs with respect to Norrep. Such termination shall be effective as and from the date which is 30 days after the date on which the notice of termination was given to Norrep.

Officers and Directors of the Fund Manager and Portfolio Manager

The names, municipalities of residence and positions held by each director and officer of Norrep are set out below:

Name and Municipality of Residence	Title	Previous Positions in Last Five Years
Alexander M. Sasso, CFA Mississauga, Ontario	Chief Executive Officer, Portfolio Manager and Director	May 2009 to Present, Chief Executive Officer and Portfolio Manager, Norrep Capital Management Ltd.
Keith J. Leslie, CFA Calgary, Alberta	Vice President, Chief Compliance Officer, Chief Risk Officer, Portfolio Manager and Director, Norrep	April 2017 to Present, Chief Compliance Officer, Norrep Capital Management Ltd.; January 2014 to Present, Vice President, Chief Risk Officer and Portfolio Manager, Norrep Capital Management Ltd.; November 2007 to January 2014, Vice President, Chief Compliance Officer and Portfolio Manager, Norrep Capital Management Ltd.
Craig J. Millar, CFA Oakville, Ontario	Vice-President, Chief Investment Officer, Portfolio Manager and Director	September 2010 to Present, Vice President, Chief Investment Officer and Portfolio Manager, Norrep Capital Management Ltd.; April 2005 to September 2010, Vice-President and Portfolio Manager, Norrep Capital Management Ltd.
R. Stevenson (Steve) Smith, CA Calgary, Alberta	Vice President, Chief Financial Officer and Portfolio Manager	November 2007 to Present, Chief Financial Officer, Vice President and Portfolio Manager, Norrep Capital Management Ltd.
Sonia Maloney Calgary, Alberta	Chief Operating Officer	August 26, 2014 to Present, Chief Operating Officer, Norrep Capital Management Ltd. August 2009 to July 2014, Director of Operations, Mawer Investment Management Ltd.

Ownership of Securities of the Partnership and Fund Manager

The Partnership has issued the initial Unit to R. Stevenson (Steve) Smith to form the Partnership. This initial Unit will be repurchased for $10.00 on the Initial Closing Date. Norrep Group beneficially owns all of the voting shares of the General Partner and Norrep.

Directors and executive officers of the General Partner own, in the aggregate, 22% of Norrep indirectly through ownership of Norrep Group. Directors and executive officers of Norrep own, in the aggregate, 28% of Norrep indirectly through ownership of Norrep Group.

Brokerage Arrangements

No brokerage transactions involving the client brokerage commissions of the Partnership have been or will be directed to a dealer in return for the provision of any good or service, by the dealer or a third party, other than order execution.

Conflicts of Interest

Affiliates of the General Partner (including Norrep and Norrep Group) and/or directors, officers or shareholders thereof may engage in the promotion, management or investment management of other funds, partnerships or other vehicles, including vehicles that may invest in securities (flow-through or otherwise) of entities that include Resource Companies in which the Partnership invests and various other conflicts of interest exist or may arise between the Partnership and the General Partner and/or Norrep and/or other partnerships or entities of which the

General Partner, Affiliates of the General Partner (including Norrep and Norrep Group) or their officers or directors are general partners, act as manager or own securities. Some of these conflicts arise as a result of the power and authority of the General Partner to manage and operate the business and affairs of the Partnership. These conflicts of interest may have a detrimental effect on the business of the Partnership.

The Partnership Agreement specifically provides that the General Partner shall not engage in any business other than acting as the general partner of the Partnership and such other similar limited partnerships as the General Partner may determine from time to time. The General Partner's Affiliates may engage in business ventures (the "**Conflicting Ventures**"), including, without limitation, acting as general partners of other limited partnerships or entities which invest in Flow-Through Shares or other securities of Resource Companies in which the Partnership invests. Neither the Partnership nor any Limited Partners shall by virtue of the Partnership Agreement or otherwise have any right, title or interest in or to such Conflicting Ventures.

None of the General Partner, Norrep, Norrep Group and their respective affiliates or associates will receive any fee, commission, rights to purchase shares of Resource Companies or any other compensation in consideration for services as agent or finder in connection with private placements of Flow-Through Shares to the Partnership.

The Partnership may invest in Resource Companies in which one or more of Norrep, Norrep Group, Alex Sasso, Keith Leslie, Steve Smith, Gary Perron or Affiliates thereof have an interest, subject to the Partnership's investment restrictions and other requirements under applicable law, including NI 81-102, NI 81-107 and Part 15 of the *Securities Act* (Alberta).

The services of the senior officers of Norrep, as Fund Manager and Portfolio Manager, are not exclusive to the Partnership. As the Partnership and Norrep's other clients may hold securities in one or more of the same issuers, conflicts of interest may arise from time to time in allocating investment opportunities, timing investment decisions and exercising rights in respect of, and otherwise dealing with, such securities and issuers. Norrep will address such conflicts of interest having regard to NI 81-107 and to the investment objectives of each of the parties involved and will act in accordance with the duty of care owed to each of them. See "*Organization and Management Details of the Partnership – Independent Review Committee*".

The General Partner may implement a Liquidity Alternative whereby the Partnership exchanges its assets for shares of the Mutual Fund or other appropriate investment vehicle (provided that such other investment vehicle is an entity that is a reporting issuer), in which one or more of Norrep, Alex Sasso, Keith Leslie, Steve Smith, Gary Perron or Affiliates thereof have an interest. Alex Sasso is a director of Norrep Opportunities. Norrep will be the fund manager and portfolio manager of the Mutual Fund, and therefore will receive fees from the Mutual Fund. Alex Sasso, Keith Leslie and Steve Smith are directors and/or officers of Norrep.

Independent Review Committee

The Partnership has established an Independent Review Committee to which conflict of interest matters relating to the Partnership will be referred by the General Partner or Norrep for review or approval in accordance with NI 81-107. The mandate of the Independent Review Committee is to review all conflict of interest matters relating to the Partnership referred to it by the General Partner or Norrep and to consider such matters in accordance with its written charter, NI 81-107 and Applicable Securities Laws.

The General Partner and Norrep have established written policies and procedures for dealing with conflict of interest matters, maintaining records in respect of these matters and providing assistance to the Independent Review Committee in carrying out its functions, as required by N1 81-107. The Independent Review Committee is comprised of the individuals set forth below:

- **James B. Rooney, Q.C.** is legal counsel with Dentons Canada LLP. Mr. Rooney is a graduate of the University of Western Ontario and earned his Law Degree from Dalhousie University (1970). His practice is primarily based on securities litigation and regulation issues. He represents three national investment banks on litigation and regulatory issues, has chaired Alberta Securities Commission inquiries and has previously been a public member of the Investment Dealers Association (now IIROC).

- **Michael P. Robinson, C.M.** is the principal of Michael Robinson Consulting, a management practice advising boards and senior management in the cultural sector. He recently retired from the position of CEO of the Bill Reid Trust and Director of the Bill Reid Gallery of Northwest Coast Art in Vancouver. Mr. Robinson attended Oxford University College as a Rhodes Scholar, and has degrees in law and anthropology. During his 30-year career history in Calgary, Mr. Robinson was a senior regulatory compliance officer in the oil patch, a professor and research institute director at the University of Calgary and CEO and President of the Glenbow Museum. In 2004, he became a Member of the Order of Canada.

- **Ian T. Brown, BSc, P. Geol., ICD.D** is the Chairman of the Board for Nuance Energy Ltd., which is an exploration company. Previously, he was the exploration advisor and a director of TUSK Energy Corporation, up until its takeover by Polar Star on April 9, 2009. Mr. Brown started his career in April 1970 with The Texaco Exploration Company in Calgary. Since then he has worked for a number of exploration and production companies of various sizes, in the junior sector with companies such as Midas Resources Ltd. (1992 to 1998), Petrorep Resources Ltd. (1998 to 2000) and TUSK Energy Inc. (2000 to 2004). From November 2004 to November 2005, Mr. Brown was the President and Chief Executive Officer of TUSK Energy Corporation and the Vice President Exploration of TKE Energy Trust.

The General Partner believes that these individuals are independent within the meaning of NI 81-107 and have the skills and experience to carry out the requirements of the Independent Review Committee. The members of the Independent Review Committee also act in that capacity for the other investment funds managed by Norrep.

The General Partner and Norrep will report to the Independent Review Committee of the Partnership regularly on the operation of the Partnership and periodically on: (i) compliance with their policies and procedures for dealing with conflict of interest matters; (ii) appropriate resolution of potential or perceived conflicts of interest; (iii) the accuracy of monthly Net Asset Value calculations; and (iv) general compliance with regulatory requirements.

The Independent Review Committee will conduct regular assessments and provide reports of its activities to the General Partner, Norrep and the Limited Partners at least annually. The Independent Review Committee will prepare a report annually for the Limited Partners in conjunction with the financial year end of the Partnership. This report will be posted on Norrep's website (www.norrep.com) and at www.sedar.com, and will be available to Limited Partners at no cost upon request by contacting the General Partner at info@norrep.com or at 1100, 606 - 4 Street SW, Calgary, Alberta, T2P 1T1 Attention: Norrep 2017 Management Inc.

The Partnership will pay its prorated share of all reasonable costs and expenses incurred in compliance with NI 81-107 by the Partnership, the Prior Partnerships (other than the Prior Partnerships that have been wound up and dissolved, see "*Prior Partnerships*") and the Mutual Fund(s) along with the other investment funds managed by Norrep. These include, but are not limited to:

(a) the compensation and expenses payable to the members of the Independent Review Committee, which are estimated to be $95,000 per year (of which, the Partnership's prorated share is estimated to be $1,000 per year);

(b) the compensation and expenses payable to any independent counsel or other advisor employed by the Independent Review Committee;

(c) the costs of the orientation and continuing education of the members of the Independent Review Committee;

(d) the cost of liability insurance for the Independent Review Committee members, which is estimated to be $25,000 per year (of which, the Partnership's prorated share is estimated to be $250 per year); and

(e) the costs and expenses associated with a special meeting of the Limited Partners called by the General Partner to remove a member or members of the Independent Review Committee, which is only expected to occur in extraordinary circumstances.

The Partnership pays its prorated share of all of the fees and expenses of the Independent Review Committee.

The main components of the fees payable to the Independent Review Committee members by the Partnership, the Prior Partnerships (other than the Prior Partnerships that have been wound up and dissolved, see "*Prior Partnerships*") and the Mutual Fund, along with the other investment funds managed by Norrep are as follows:

(a) Quarterly Retainer Fee – $3,162 per quarter;

(b) Meeting Fee – $3,712 per meeting (4 meetings per year); and

(c) Quarterly Chairman's Fee – $3,162 per quarter.

Custodian

CIBC Mellon Trust Company will be appointed the custodian of the Partnership's account pursuant to the Custodian Agreement. The Custodian may employ sub-custodians as considered appropriate in the circumstances. The address of the Custodian is 320 Bay Street, P.O. Box 1, 6th Floor, Toronto, Ontario, M5H 4A6.

Auditor

The auditor of the Partnership is KPMG LLP, Chartered Professional Accountants, Suite 3100, 205 – 5th Avenue S.W., Calgary, Alberta, T2P 4B9.

The General Partner has the authority to change the auditor of the Partnership from time to time without Limited Partner approval, provided that the auditor will not be changed unless the Independent Review Committee has approved the change. Although approval of the Limited Partners will not be obtained before making a change of auditor of the Partnership, Limited Partners will be sent written notice at least 60 days before the effective date of the change.

Transfer Agent and Registrar

Norrep will act as the Transfer Agent and Registrar of the Partnership. Norrep will provide services to the Partnership from its office located at 1100, 606 - 4 Street SW, Calgary, Alberta, T2P 1T1.

Promoter

Norrep Group is the promoter of the Partnership within the meaning of Applicable Securities Laws. Norrep Group was incorporated under the laws of the Province of Alberta on December 19, 1996 and its registered office is located at Suite 600, 815 – 8th Avenue S.W., Calgary, Alberta, T2P 3P2. The principal place of business of Norrep Group is 1100, 606 - 4 Street SW, Calgary, Alberta, T2P 1T1. Norrep Group will not be compensated in its capacity as promoter of the Partnership. Norrep Group beneficially owns all of the voting shares of the General Partner and of Norrep. See "*Interest of Management and Others in Material Transactions*".

CALCULATION OF NET ASSET VALUE

The Net Asset Value of the Partnership will be calculated by Norrep on each Valuation Date by subtracting the aggregate amount of the Partnership's liabilities on such Valuation Date from the aggregate value on such Valuation Date of the assets of the Partnership.

Valuation Policies and Procedures of the Partnership

The value of the Partnership's assets on each Valuation Date will be determined in accordance with the following principals:

(a) cash owned by the Partnership;

(b) the market value on the Valuation Date of its other assets, determined as follows:

(i) the value of any security which is listed for trading upon a stock exchange (whether or not the security is subject to resale restrictions) will be the closing sale price on such date or, if there is no closing sale price, the last closing sale price on the trading day immediately before such date, as reported by any report in common use or authorized by such stock exchange;

(ii) where the Partnership has executed a Flow-Through Investment Agreement but has not completed the acquisition of the Flow-Through Shares provided for thereunder, for the purposes of calculating the Net Asset Value, the Partnership shall be deemed to have acquired the securities of the Resource Company at the date the Partnership entered into the applicable Flow-Through Investment Agreement, and the value of the securities deemed to be so acquired, calculated in the manner set forth in paragraph (i), (iii) or (iv), as applicable, shall be included in calculating Net Asset Value and the amount required to be invested under such Flow-Through Investment Agreement (together with interest accruing thereon for the account of the Resource Company, if any) shall be deducted in calculating the Net Asset Value. In the event the purchase of such Flow-Through Shares is not completed as contemplated by the Flow-Through Investment Agreement, the applicable subscription funds shall thereafter be included in calculating Net Asset Value;

(iii) the value of any security which is traded on an over-the-counter market (whether or not the security is subject to resale restrictions) will be priced at the last close price on such date, as reported by the financial press or an independent reporting organization;

(iv) the initial value of any security for which a market quotation is not readily available will be the cost of such security for common shares and 20% below cost for Flow-Through Shares. After its initial purchase of such securities, the Partnership shall use estimation techniques to determine fair value of the security that incorporate observable market data, discounted cash flows and internal models comparing that particular issuer to its peer group;

(v) the value of assets quoted in foreign currencies will be converted to Canadian dollars at the exchange rate at noon on such date as set by the Bank of Canada;

(vi) for long positions in covered options, options on futures, over-the-counter options, debt-like securities and listed warrants, the current market value is used;

(vii) the fair value of investments in share purchase warrants is determined using a recognized economic model taking into account various factors including risk free rates of interest, dividend rates, volatility, market value and trading volume of the underlying stock; and

(viii) the statement of financial position of the Partnership records the securities sold short as a liability with the Partnership's assets deposited as security with borrowing agents for securities sold short recorded as an asset. The dividends and other income received on borrowed securities in connection with securities sold short are shown as an expense on the statement of operations of the Partnership;

less:

(c) all liabilities on such date as determined by Norrep (including amounts owed under the Loan Facility and contingent distributions).

If an asset cannot be valued under the foregoing principles or if the foregoing principles are at any time considered by Norrep to be inappropriate under the circumstances, then notwithstanding such principles, Norrep will make such valuation as it considers fair and reasonable and, if there is an industry practice, in a manner consistent with industry practice for valuing such asset.

The liabilities of the Partnership on each Valuation Date will be determined by Norrep in accordance with normal business practices and IFRS. The liabilities of the Partnership include all bills, notes and accounts payable; all administrative expenses payable or accrued, (including management fees and the Performance Bonus); all contractual obligations for the payment of money or property; all allowances authorized or approved by Norrep for taxes; and all other liabilities of the Partnership.

The Net Asset Value per Unit will be the amount obtained by dividing the Net Asset Value as of a particular Valuation Date by the total number of Units outstanding on that date.

The weekly Net Asset Value per Unit will be calculated as of the close of business every Friday in accordance with the rules and policies of the Canadian Securities Administrators or in accordance with any exemption therefrom that the Partnership may obtain. The Net Asset Value per Unit determined in accordance with the principles set out above may differ from Net Asset Value per Unit determined under IFRS.

In accordance with NI 81-106, the fair value of a portfolio security used to determine the daily price of the fund's Partnership's securities for purchases and redemptions by investors will be based on the Partnership's valuation principles set out above under the heading "*Valuation Policies and Procedures of the Partnership*", which comply with requirements of NI 81-106.

Reporting of Net Asset Value

The weekly and month end Net Asset Value per Unit, and the quarterly summary of the investment portfolio, will be available on the Partnership's website at www.norrep.com or by calling Norrep's toll-free number at 1-877-531-9355. Information contained on Norrep's website is not part of this prospectus and is not incorporated herein by reference.

For financial statement purposes, the fair value of the Partnership's investments are measured in accordance with IFRS. The Net Asset Value of the Partnership, however, will be calculated in accordance with NI 81-106 and is based on the fair value of investments using the valuation policies and procedures set out above. As a result, the net assets per Unit for financial reporting purposes and the Net Asset Value per Unit for valuation purposes could be different due to the use of different valuation techniques.

DESCRIPTION OF THE SECURITIES DISTRIBUTED

The interests of the Limited Partners will be divided into and represented by an unlimited number of Units. Each Unit entitles the holder thereof to the same rights and subjects such holder to the same obligations as the holder of any other Unit and no Limited Partner is entitled to any preference, priority or right in any circumstance over any other Limited Partner. The Partnership does not intend to issue Units other than as qualified by this prospectus. At all meetings of the Limited Partners, each Limited Partner will be entitled to one vote for each Unit held. For information on distribution rights attached to the Units see "*Distribution Policy*". For information on rights of Limited Partners upon the dissolution, termination or winding-up of the Partnership see "*Termination of the Partnership*". Units are not redeemable by the Limited Partners. See "*Redemption of Securities*". Each Limited Partner will contribute to the capital of the Partnership $10.00 for each Unit purchased. There are no restrictions as to the maximum number of Units that a Limited Partner may hold in the Partnership, subject to (A) limitations on the number of Units that may be held by (i) officers and directors of the General Partner and their associates, and (ii) "financial institutions" and (B) provisions of securities legislation and regulations relating to take-over bids. See "*Securityholder Matters – Matters Requiring Limited Partners Approval*" and "*Securityholder Matters – Transfer of Units*".

PRIOR PARTNERSHIPS

The following is a brief discussion of the performance of the Prior Partnerships. Affiliates of the General Partner have acted as the general partners of the Prior Partnerships. The Prior Partnerships have had investment objectives and strategies that are substantially similar to those of the Partnership. Norrep has acted as the investment fund manager and portfolio manager for each of the Prior Partnerships. For illustrative purposes, a cumulative after-tax rate of return for each of the Prior Partnerships is included in the table set out below, calculated on the basis of certain assumptions that are set out in the footnotes to the table. Generally, it is assumed that an investor is able to deduct the subscription price of $10.00 per unit against income for income tax purposes and the subsequent disposition of an investment will result in a capital gain. The difference in the tax treatment of deducting against income and inclusion as capital gain at more favourable effective marginal tax rates has the effect of reducing the break-even proceeds of disposition.

The Partnership has been created to perform in substantially the same manner as the Prior Partnerships. There are, however, certain structural differences between this Partnership and the 2004 Partnership and the 2005 Partnership. For example, the 2004 Partnership and the 2005 Partnership explicitly state the goal of achieving for the investor aggregate deductions for income tax purposes over the term of the Partnership, including residual deductions extending beyond such term, equal to a target level of approximately 125% of the investor's original investment. While certain of the Prior Partnerships may have achieved deductions greater than 100% of the Investor's original investment therein, the 2004 Partnership and the 2005 Partnership were the only Prior Partnerships to explicitly state such as a primary investment goal. In addition, minor adjustments were made to the Performance Bonus for the 2004 Partnership and the 2005 Partnership. In relation to the 2009 Partnership, the 2010 Partnership, the 2011 Partnership, the 2012 Partnership, the 2013 Partnership, the 2014 Partnership, the 2015 Partnership and the 2016 Partnership, the investment strategies allowed Eligible Expenditures to consist of at least 30% CEE and Qualifying CDE and, as to the balance, by CDE. Changes made to the 2013 Partnership and the 2014 Partnership included a decrease in the proposed implementation date of the Liquidity Alternative from 2.5 years to 1.5 years and the payment of the Performance Bonus to Norrep instead of the General Partner. The 2015 Partnership's structure and investment strategy was substantially similar to the 2014 Partnership, other than that the 2014 Partnership was restricted such that it could not invest more than 20% of its Net Asset Value in one Resource Company whereas the 2015 Partnership could invest up to 25% of the Gross Proceeds in one Resource Company. The 2016 Partnership was substantially similar to the 2015 Partnership, other than being specifically permitted to invest in any combination of CDE, CEE, and Qualifying CDE. With the exception of these items and the removal of the ability of the 2013 Partnership and the 2014 Partnership to form subsidiary companies to enter into certain joint venture agreements in the same manner as certain of the Prior Partnerships, the Prior Partnerships were substantially similar to one another in all material respects.

The Prior Partnerships have raised aggregate gross proceeds of over **$**542 million. The following chart sets out the net asset value, cumulative tax deductions and cumulative after-tax rate of return at the dates indicated for partners of each of the Prior Partnerships based on selected historical information. Investors can research all of the available public information on the Prior Partnerships on the Internet at www.sedar.com. None of the information contained on the SEDAR profile of any of the Prior Partnerships is or shall be deemed to be incorporated by reference herein. **In addition, the indicated after-tax rates of return are based on a number of assumptions set out in the notes to the chart. The actual after-tax rates of return may be different. Actual after-tax rates of return for a Limited Partner will vary depending on a number of factors including date of disposition, marginal tax rates, receipt of distributions, actual capital gain inclusions and actual deductions or credits received.** See "*Income Tax Considerations*". Past performance of the Prior Partnerships may not be indicative of future results. See "*Forward-Looking Statements*".

Estimated Cumulative Performance Data
(As at January 31, 2017)

	Per $10.00 Invested							
	Gross Proceeds Raised	Net Asset Value at Dissolution [1][2]	Net Asset Value at Jan 31, 2017	Cumulative Before-Tax Return[5]	Annualized Before-Tax Return[5]	Cumulative Tax Deductions	Estimated Cumulative After-Tax Return[3][4][5][6]	Estimated Annualized After-Tax Return[3][4][5][6]
	000$	$/Unit	$/Unit	%	%	$/Unit	%	%
1999 Partnership	9,450	12.20	N/A	22	10	10.48	90	35
2000 Partnership	10,639	8.32	N/A	(17)	(8)	10.16	24	10
2001 Partnership	12,075	13.38	N/A	34	13	10.92	99	34
2002 Partnership	19,009	12.61	N/A	26	9	12.55	89	28
2003 Partnership	27,501	12.06	N/A	21	7	11.45	77	25
2004 Partnership	58,554	9.61	N/A	(4)	(1)	18.33	74	20
2005 Partnership	81,080	7.07	N/A	(29)	(11)	17.29	29	8
2006 Partnership	85,000	2.43	N/A	(76)	(34)	12.06	(65)	(26)
2007 Partnership	81,420	2.79	N/A	(72)	(32)	11.64	(59)	(23)
2008 Partnership	19,697	6.52	N/A	(35)	(17)	11.43	(2)	(1)
2009 Partnership[7]	6,294	7.48	N/A	(25)	N/A	11.27	11	N/A
2010 Partnership[7]	9,404	10.39	N/A	4	N/A	11.14	51	N/A
2011 Partnership	12,594	5.72	N/A	(43)	(41)	11.10	(16)	(15)
2012 Partnership[7]	13,558	10.08	N/A	1	N/A	10.96	42	N/A
2013 Partnership[7]	27,111	10.11	N/A	1	N/A	10.62	42	N/A
2014 Partnership	39,812	4.22	N/A	(58)	(55)	10.44	(41)	(38)
2015 Partnership	19,367	6.22	N/A	(38)	(34)	10.48	(12)	(11)
2016 Partnership[7][8]	9,984	N/A[9]	8.56	N/A[8]	N/A	10.14	N/A[8]	N/A

Notes:

(1) Net asset value at dissolution includes cash distributions that were paid to investors from inception to dissolution.

(2) The 1999 Partnership, the 2000 Partnership, the 2001 Partnership, the 2002 Partnership, the 2003 Partnership, the 2004 Partnership, the 2005 Partnership and the 2006 Partnership were wound up in 2001, 2002, 2003, 2005, 2006, 2007, 2008 and 2009, respectively. The 2007 Partnership, the 2008 Partnership and the 2009 Partnership were wound up in 2010. The 2010 Partnership, 2011 Partnership, 2012 Partnership, 2013 Partnership, 2014 Partnership and 2015 Partnership were wound up in 2011, 2012, 2013, 2014, 2015 and 2016 respectively.

(3) Estimated after-tax return on assumed money at risk. In respect of years 1999, 2000, 2001, 2002, 2003, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014, and 2015 the estimated cumulative after tax return assumes a combined federal and provincial income tax rate of 45% and an estimated after tax net investment of $5.50. It is further assumed that the unit is sold at the date of dissolution. Actual returns may differ from those set out above.

(4) In respect of the years 2004 and 2005, the estimated cumulative after tax return assumes a combined federal and provincial income tax rate of 45% and an estimated after tax net investment of $4.375 due to managing expenditures to target a 125% deduction for tax purposes of the investor's original investment in those Prior Partnerships. It is assumed that the unit is sold at the date of dissolution. Actual returns may differ from those set out above.

(5) As of the respective date of dissolution, as applicable. See "*Termination of the Partnership – Norrep Opportunities*".

(6) Actual after-tax rates of return for a limited partner will vary depending on a number of factors including province of residence, date of disposition and the timing and amount of actual deductions or credits received. There is no assurance that stated returns will in fact be realized.

(7) Annualized Before-Tax Return and Estimated Annualized After-Tax Return data for the 2009, 2010, 2012, 2013 and 2016 Partnerships omitted as those partnerships were or have been, as the case may be, in existence for less than one year.

(8) Cumulative Before-Tax Return and Estimated Cumulative After-Tax Return for 2016 Partnership omitted as the 2016 Partnership was in existence for less than one year.

(9) Net Asset Value at Dissolution of the 2016 Partnership on April 11, 2017 was $7.72.

The estimated past performance does not guarantee future results and there is no assurance that the performance of the Partnership will equal or exceed the estimated performance of the Prior Partnerships.

Norrep Flow-Through Limited Partnership

On August 18 and 25, 1999, through the issuance of units at a subscription price of $10.00 per unit, the 1999 Partnership raised net available funds of approximately $8,855,439. All of such funds were invested as of December 31, 1999 on behalf of the 1999 Partnership in flow-through shares of Resource Companies in the oil and gas sector.

On September 29, 2001, the 1999 Partnership completed a roll-over transaction with Norrep II Fund Inc. pursuant to which it transferred its assets to Norrep II Fund Inc. in exchange for redeemable mutual fund shares of Norrep II Fund Inc. Following the asset transfer, the 1999 Partnership distributed the mutual fund shares to its partners on a *pro rata* basis in connection with winding-up the affairs of the 1999 Partnership.

Norrep 2000 Flow-Through Limited Partnership

On August 24, 2000, through the issuance of units at a subscription price of $10.00 per unit, the 2000 Partnership raised net available funds of approximately $9,869,623. All of such funds were invested as of December 31, 2000 on behalf of the 2000 Partnership in flow-through shares of Resource Companies in the oil and gas sector.

On October 9, 2002, the 2000 Partnership completed a roll-over transaction with Norrep II Fund Inc. pursuant to which it transferred its assets to Norrep II Fund Inc. in exchange for redeemable mutual fund shares of Norrep II Fund Inc. Following the asset transfer, the 2000 Partnership distributed the mutual fund shares to its partners on a *pro rata* basis in connection with winding-up the affairs of the 2000 Partnership.

Norrep 2001 Flow-Through Limited Partnership

On August 21, 2001, through the issuance of units at a subscription price of $10.00 per unit, the 2001 Partnership raised net available funds of approximately $11,226,732. All of such funds were invested as of December 31, 2001 on behalf of the 2001 Partnership in flow-through shares of Resource Companies in the oil and gas sector.

On December 16, 2003, the 2001 Partnership completed a roll-over transaction with Norrep II Fund Inc., pursuant to which it transferred its assets to Norrep II Fund Inc. in exchange for redeemable mutual fund shares of Norrep II Fund Inc. Following the asset transfer, the 2001 Partnership distributed the mutual fund shares to its partners on a *pro rata* basis in connection with winding up the affairs of the 2001 Partnership.

Norrep Performance 2002 Flow-Through Limited Partnership

On June 19, 2002, through the issuance of units at a subscription price of $10.00 per unit, the 2002 Partnership raised net available funds of approximately $16,675,712. On August 30, 2002, the 2002 Partnership had a second closing in which it realized net available funds of $849,301. All of such funds were invested as of December 31, 2002 on behalf of the 2002 Partnership in flow-through shares of Resource Companies and subsidiary companies in the oil and gas sector.

On January 12, 2005, the 2002 Partnership completed a roll-over transaction with Norrep Opportunities, pursuant to which it transferred its assets to Norrep Opportunities in exchange for redeemable mutual fund shares of the Norrep II Class of Norrep Opportunities. Following the asset transfer, the 2002 Partnership distributed the mutual fund shares to its partners on a *pro rata* basis in connection with winding-up the affairs of the 2002 Partnership.

Norrep Performance 2003 Flow-Through Limited Partnership

On June 30, 2003, through the issuance of units at a subscription price of $10.00 per unit, the 2003 Partnership raised net available funds of approximately $21,824,442. On July 16, 2003, the 2003 Partnership had a second closing in which it realized net available funds of $3,472,432. All such funds were invested as of December 31, 2003 on behalf of the 2003 Partnership in flow-through shares of Resource Companies and certain subsidiary companies in the oil and gas sector.

On February 7, 2006, the 2003 Partnership completed a roll-over transaction with Norrep Opportunities pursuant to which it transferred its assets to Norrep Opportunities in exchange for redeemable mutual fund shares of Norrep II Class of Norrep Opportunities. Following the asset transfer, the 2003 Partnership distributed the mutual fund shares to its partners on a *pro rata* basis in connection with winding up the affairs of the 2003 Partnership.

Norrep Performance 2004 Flow-Through Limited Partnership

On June 8, 2004, through the issuance of units at a subscription price of $10.00 per unit, the 2004 Partnership raised net available funds of approximately $47,498,667. On June 22, 2004, the 2004 Partnership had a second closing in which it realized net available funds of $6,993,736. All such funds were invested as of December 31, 2004 on behalf of the 2004 Partnership in flow-through shares of Resource Companies and certain subsidiary companies in the oil and gas and mining sectors.

On June 13, 2007, the 2004 Partnership completed a roll-over transaction with Norrep Opportunities pursuant to which it transferred its assets to Norrep Opportunities in exchange for redeemable mutual fund shares of Norrep II Class of Norrep Opportunities. Following the asset transfer, the 2004 Partnership distributed the mutual fund shares to its partners on a *pro rata* basis in connection with winding up the affairs of the 2004 Partnership.

Norrep Performance 2005 Flow-Through Limited Partnership

On May 17, 2005 and June 8, 2005, through the issuance of units at a subscription price of $10.00 per unit, the 2005 Partnership raised net available funds of approximately $61,287,750 and $11,684,250 respectively. All such funds were invested as of December 31, 2005 on behalf of the 2005 Partnership in flow-through shares of Resource Companies and certain subsidiary companies in the oil and gas and mining sectors.

On June 25, 2008, the 2005 Partnership completed a roll-over transaction with Norrep Opportunities pursuant to which it transferred its assets to Norrep Opportunities in exchange for redeemable mutual fund shares of Norrep II Class of Norrep Opportunities. Following the asset transfer, the 2005 Partnership distributed the mutual fund shares to its partners on a *pro rata* basis in connection with winding up the affairs of the 2005 Partnership.

Norrep Performance 2006 Flow-Through Limited Partnership

On April 12, 2006, through the issuance of units at a subscription price of $10.00 per unit, the 2006 Partnership raised gross proceeds of $85,000,000. All such funds were invested as of December 31, 2006 on behalf of the 2006 Partnership in flow-through shares of Resource Companies and certain subsidiary companies in the oil and gas and mining sectors.

On September 25, 2009, the 2006 Partnership completed a roll-over transaction with Norrep Opportunities pursuant to which it transferred its assets to Norrep Opportunities in exchange for redeemable mutual fund shares of Norrep Resource Class of Norrep Opportunities. Following the asset transfer, the 2006 Partnership distributed the mutual fund shares to its limited partners on a *pro rata* basis in connection with winding up the affairs of the 2006 Partnership.

Norrep Performance 2007 Flow-Through Limited Partnership

On February 1, 2007, February 27, 2007, and March 30, 2007, through the issuance of units at a subscription price of $10.00 per unit, the 2007 Partnership raised gross proceeds of $66,064,200, $10,895,500, and $4,460,000, respectively. All such funds were invested as of December 31, 2007 on behalf of the 2007 Partnership in flow-through shares of Resource Companies.

On June 11, 2010, the 2007 Partnership completed a roll-over transaction with Norrep Opportunities pursuant to which it transferred its assets to Norrep Opportunities in exchange for redeemable mutual fund shares of Norrep Resource Class of Norrep Opportunities. Following the asset transfer, the 2007 Partnership distributed the mutual fund shares to its limited partners on a *pro rata* basis in connection with winding up the affairs of the 2007 Partnership.

Norrep Performance 2008 Flow-Through Limited Partnership

On February 21, 2008, March 27, 2008, and April 7, 2008, through the issuance of units at a subscription price of $10.00 per unit, the 2008 Partnership raised gross proceeds of $14,852,000, $4,488,500 and $357,000, respectively. All such funds were invested as of December 31, 2008 on behalf of the 2008 Partnership in flow-through shares of Resource Companies.

On June 11, 2010, the 2008 Partnership completed a roll-over transaction with Norrep Opportunities pursuant to which it transferred its assets to Norrep Opportunities in exchange for redeemable mutual fund shares of Norrep Resource Class of Norrep Opportunities. Following the asset transfer, the 2008 Partnership distributed the mutual fund shares to its limited partners on a *pro rata* basis in connection with winding up the affairs of the 2008 Partnership.

Norrep Performance 2009 Flow-Through Limited Partnership

On October 15, 2009 and November 6, 2009, through the issuance of units at a subscription price of $10.00 per unit, the 2009 Partnership raised gross proceeds of $5,400,000 and $893,500, respectively. All such funds were invested as of December 31, 2009 on behalf of the 2009 Partnership in flow-through shares of Resource Companies.

On September 15, 2010, the 2009 Partnership completed a roll-over transaction with Norrep Opportunities pursuant to which it transferred its assets to Norrep Opportunities in exchange for redeemable mutual fund shares of Norrep Resource Class of Norrep Opportunities. Following the asset transfer, the 2009 Partnership distributed the mutual fund shares to its limited partners on a *pro rata* basis in connection with winding up the affairs of the 2009 Partnership.

Norrep Performance 2010 Flow-Through Limited Partnership

On May 28, 2010, through the issuance of units at a subscription price of $10.00 per unit, the 2010 Partnership raised gross proceeds of $9,404,000. All such funds were invested as of December 31, 2010 on behalf of the 2010 Partnership in flow-through shares of Resource Companies.

On April 8, 2011, the 2010 Partnership completed a roll-over transaction with Norrep Opportunities pursuant to which it transferred its assets to Norrep Opportunities in exchange for redeemable mutual fund shares of Norrep Resource Class of Norrep Opportunities. Following the asset transfer, the 2010 Partnership distributed the mutual fund shares to its limited partners on a *pro rata* basis in connection with winding up the affairs of the 2010 Partnership.

Norrep Performance 2011 Flow-Through Limited Partnership

On March 18, 2011 and April 29, 2011, through the issuance of units at a subscription price of $10.00 per unit, the 2011 Partnership raised gross proceeds of $6,683,500 and $5,910,500, respectively. As of November 10, 2011, all such funds were invested on behalf of the 2011 Partnership in flow-through shares of Resource Companies.

On April 13, 2012, the 2011 Partnership completed a roll-over transaction with Norrep Opportunities pursuant to which it transferred its assets to Norrep Opportunities in exchange for redeemable mutual fund shares of Norrep Resource Class of Norrep Opportunities. Following the asset transfer, the 2011 Partnership distributed the mutual fund shares to its limited partners on a *pro rata* basis in connection with winding up the affairs of the 2011 Partnership.

Norrep Performance 2012 Flow-Through Limited Partnership

On March 26, 2012 and May 1, 2012, through the issuance of units at a subscription price of $10.00 per unit, the 2012 Partnership raised gross proceeds of $7,181,300 and $6,376,500, respectively. As of December 31, 2012, all such funds were invested on behalf of the 2012 Partnership in flow-through shares of Resource Companies.

On March 8, 2013, the 2012 Partnership completed a roll-over transaction with Norrep Opportunities pursuant to which it transferred its assets to Norrep Opportunities in exchange for redeemable mutual fund shares of Norrep Energy Class of Norrep Opportunities. Following the asset transfer, the 2012 Partnership distributed the mutual fund shares to its limited partners on a *pro rata* basis in connection with winding up the affairs of the 2012 Partnership.

Norrep Short Duration 2013 Flow-Through Limited Partnership

On April 9, 2013, May 9, 2013, and May 31, 2013, through the issuance of units at a subscription price of $10.00 per unit, the 2013 Partnership raised gross proceeds of $15,189,410, $8,162,320, and $3,759,100, respectively. As of December 31, 2013, all such funds were invested on behalf of the 2013 Partnership in flow-through shares of Resource Companies.

On March 13, 2014, the 2013 Partnership completed a roll-over transaction with Norrep Opportunities pursuant to which it transferred its assets to Norrep Opportunities in exchange for redeemable mutual fund shares of Norrep Energy Class of Norrep Opportunities. Following the asset transfer, the 2013 Partnership distributed the mutual fund shares to its limited partners on a *pro rata* basis in connection with winding up the affairs of the 2013 Partnership.

Norrep Short Duration 2014 Flow-Through Limited Partnership

On February 27, 2014, March 28, 2014, and April 30, 2014, through the issuance of units at a subscription price of $10.00 per unit, the 2014 Partnership raised gross proceeds of $15,982,500, $14,703,790 and $9,125,560, respectively. December 31, 2014, all such funds were invested on behalf of the 2014 Partnership in flow-through shares of Resource Companies.

On March 27, 2015, the 2014 Partnership completed a roll-over transaction with Norrep Opportunities pursuant to which it transferred its assets to Norrep Opportunities in exchange for redeemable mutual fund shares of Norrep Energy Class of Norrep Opportunities. Following the asset transfer, the 2014 Partnership distributed the mutual fund shares to its limited partners on a pro rata basis in connection with winding up the affairs of the 2014 Partnership.

Norrep Short Duration 2015 Flow-Through Limited Partnership

On March 5, 2015, April 8, 2015, and May 8, 2015, through the issuance of units at a subscription price of $10.00 per unit, the 2015 Partnership raised gross proceeds of $7,911,900, $5,327,000, and $6,128,230, respectively. As of December 31, 2015, all such funds were invested on behalf of the 2015 Partnership in flow-through shares of Resource Companies.

On April 25, 2016, the 2015 Partnership completed a roll-over transaction with Norrep Opportunities pursuant to which it transferred its assets to Norrep Opportunities in exchange for redeemable mutual fund shares of Norrep Energy Class of Norrep Opportunities. Following the asset transfer, the 2015 Partnership distributed the

mutual fund shares to its limited partners on a pro rata basis in connection with winding up the affairs of the 2015 Partnership.

Norrep Short Duration 2016 Flow-Through Limited Partnership

On May 31, 2016 and June 23, 2016, through the issuance of units at a subscription price of $10.00 per unit, the 2016 Partnership raised gross proceeds of $7,984,270 and $1,999,500, respectively. As of December 31, 2016, all such funds were invested on behalf of the 2016 Partnership in flow-through shares of Resource Companies.

On April 10, 2017, the 2016 Partnership completed a roll-over transaction with Norrep Opportunities pursuant to which it transferred its assets to Norrep Opportunities in exchange for redeemable mutual fund shares of Norrep Energy Class of Norrep Opportunities. Following the asset transfer, the 2016 Partnership distributed the mutual fund shares to its limited partners on a pro rata basis in connection with winding up the affairs of the 2016 Partnership.

SECURITYHOLDER MATTERS

The following is a summary of the material terms of the Partnership Agreement. This summary does not, however, include a description of all of the items of the Partnership Agreement and reference should be made to the Partnership Agreement for complete details. See "*Material Contracts*".

The rights and obligations of the Limited Partners and the General Partner, as between each other, are governed by the laws of the Province of Alberta and the Partnership Agreement.

Investment Criteria and Restrictions

The Partnership has adopted certain investment criteria and restrictions which may be changed only by a Special Resolution duly passed by the Limited Partners. See "*Investment Objectives*" and "*Investment Strategies*", and "*Investment Restrictions*".

Limited Partners

Each Investor, through the Book-Entry System, will directly or indirectly through an Agent (or authorized member of the selling group formed by the Agents) submit an Offer to Purchase Units to an Agent or authorized member of the selling group formed by the Agents. An Agent, acting in its capacity as authorized agent of each such Investor, will do all things required to complete such Offer to Purchase Units, in form and content satisfactory to such Agent. Each Investor whose subscription is accepted by the General Partner will become a Limited Partner effective upon the amendment of the record of Limited Partners maintained by the General Partner, which shall be reflected in the Certificate. Subscriptions will not be accepted from any person an interest in which is a "tax shelter investment" as that term is defined in the Tax Act. Subsequent holders of Units will become Limited Partners upon compliance with the conditions of transfer set out in the Partnership Agreement and the General Partner entering or causing the Transfer Agent and Registrar to enter the prescribed information on the record of Limited Partners.

Non-Residents

Limited Partners will be required to represent and warrant that they are not "non-residents" for the purposes of the Tax Act and will be required to covenant to maintain such status during such time as Units are held by them. A Limited Partner will be deemed to have disposed of its Units to the Partnership for consideration equal to the Net Asset Value at the last Valuation Date prior to the date on which such Limited Partner ceases to be a resident of Canada for purposes of the Tax Act.

Fiscal Year

The Partnership will use the calendar year as its Fiscal Year.

Units

The interest of the Limited Partners in the Partnership is divided into an unlimited number of Units, of which a maximum of 2,500,000 Units may be issued pursuant to the Offering. Each Unit is equal to each other Unit and has the same rights and obligations attaching to it as each other Unit, except as disclosed under "*Allocations and Distributions of Capital and Non-Capital Items*" and "*Termination of the Partnership*". For each Unit purchased, a Limited Partner will be required to contribute $10.00 to the capital of the Partnership at Closing. There are no restrictions as to the maximum number of Units that a Limited Partner is entitled to hold in the Partnership (other than those set out under "*Description of the Securities Distributed*"), however, the minimum subscription for each Limited Partner is 500 Units. No fractional Units will be issued pursuant to the Offering.

An Investor who purchases Units, among other things: (i) consents to the disclosure of certain information to, and the collection and use by, the General Partner and its service providers of all such information about such Investor that the General Partner or the service providers require in order to maintain the record of Limited Partners pursuant to applicable laws or for applicable tax purposes, including the name and address of such Investor or address for service and social insurance number or corporation account number of such Investor, as the case may be for the purpose of administering such Investor's subscription of Units; (ii) acknowledges that it has authorized one of the Agents (or authorized members of the selling group formed by the Agents) to act as its agent in connection with the purchase of Units, to give the representations, warranties and covenants in the Partnership Agreement on its behalf as a Limited Partner, to grant the power of attorney to the General Partner set out in the Partnership Agreement on its behalf and has authorized one of the Agents (or authorized members of the selling group formed by the Agents) to delegate all necessary power and authority to any of the Agents or other agents, as the case may be, in contemplation of the foregoing; (iii) to the extent applicable, directly gives the representations, warranties and covenants in the Partnership Agreement and grants directly to the General Partner the power of attorney set out in the Partnership Agreement; (iv) acknowledges that it is bound by the terms of the Partnership Agreement and is liable for all obligations of a Limited Partner; and (v) irrevocably nominates, constitutes and appoints the General Partner as its true and lawful attorney with the full power and authority as set out in the Partnership Agreement. The Partnership Agreement includes representations, warranties and covenants on the part of the Investor that it is not a "non-resident" for purposes of the Tax Act or, if a partnership, is a "Canadian partnership" for purposes of the Tax Act, a "non-Canadian" within the meaning of the *Investment Canada Act*, that it will maintain such status during such time as the Units are held by the Limited Partner, that no interest in the Investor is a "tax shelter investment" as that term is defined in the Tax Act, and that its acquisition of the Units has not been financed with borrowings for which recourse is, or is deemed to be, limited within the meaning of the Tax Act. In the Partnership Agreement, each Investor is deemed to represent and warrant that: (i) the Investor is not a "financial institution" as that term is defined in subsection 142.2(1) of the Tax Act; (ii) the Investor deals at arm's length within the meaning of the Tax Act with Norrep, an Affiliate of Norrep, or the General Partner unless, in all cases, such Investor has provided written notice to the contrary to the General Partner prior to the date of acceptance of the Investor's subscription for Units, and (iii) the Investor is not an Applicable Resource Company and deals at arm's length within the meaning of the Tax Act with any Applicable Resource Company.

The General Partner is not required to subscribe for any Units or otherwise contribute capital to the Partnership.

Net Asset Value

See "*Calculation of Net Asset Value*".

Transfer of Units

Subject to termination of the Book-Entry System arrangements, registrations of interests in and transfer of Units will only be made through the depositary services of CDS. Only whole Units are transferable, and a Limited

Partner may transfer all or part of its Units by delivering to the applicable CDS Participant, with a copy delivered to the General Partner, a form of transfer and power of attorney, substantially in the form annexed as Schedule "A" to the Partnership Agreement, duly completed and executed by the Limited Partner, as transferor, and the transferee. The transferor requesting the transfer of a Unit is deemed to warrant the transferee's authority and ability to be bound by the terms and conditions of the Partnership Agreement as a Limited Partner, including all representations, warranties and acknowledgements thereunder, on behalf of the transferee. Upon registering the transfer in the Book-Entry System, the transferor will cease to have any further rights or obligations thereunder, other than certain obligations of the transferor to reimburse the Partnership for any amounts distributed to the transferor by the Partnership which may be necessary to restore the capital of the Partnership to the amount existing immediately prior to such distribution, if the distribution resulted in a reduction of capital of the Partnership and the incapacity of the Partnership to pay its debts as they become due.

The transferee, by executing the transfer, agrees to be bound by the Partnership Agreement as a Limited Partner as if the transferee had personally executed the Partnership Agreement and to grant the power of attorney set out in the Partnership Agreement. Transferees who execute the transfer will be required to represent and warrant that they are not "non-residents" within the meaning of the Tax Act, are not partnerships and are not "non-Canadians" within the meaning of the *Investment Canada Act*, that no interest in the transferee is a "tax shelter" investment as that term is defined in the Tax Act, and will be required to covenant to maintain such status during such time as the Units are held by them. Each transferee who executes the transfer will also be required to represent and warrant that: (i) the transferee is not a "financial institution" as that term is defined in subsection 142.2(1) of the Tax Act; (ii) the transferee deals at arm's length within the meaning of the Tax Act with Norrep, an Affiliate of Norrep, or the General Partner unless, in all cases, such transferee has provided written notice to the contrary to the General Partner prior to the date of the transferee's subscription for Units, and (iii) the transferee is not an Applicable Resource Company and deals at arm's length within the meaning of the Tax Act with any Applicable Resource Company. The General Partner, in its sole and absolute discretion, may reject, in whole or in part, any transfer of Units. Transferees executing the transfer will also be required to represent and warrant that their acquisition of the Units from the transferor was not financed with a financing for which recourse is or is deemed to be limited within the meaning of the Tax Act. The transferee will furthermore ratify and confirm the power of attorney given to the General Partner in Article 16 of the Partnership Agreement.

It is intended that the Partnership not become a "SIFT partnership" for the purposes of the Tax Act. If a market for the Units develops then the Partnership may be considered a SIFT partnership, which would result in the income tax considerations described in this prospectus being materially and adversely different in certain respects. To mitigate this risk, the Partnership intends to restrict the transfer of Units. Consequently, the General Partner may not approve a requested transfer of Units if it may be expected to create the risk that the Partnership would be considered a SIFT partnership. There is no assurance that any Unit transfer request will be approved.

The Partnership Agreement also provides that a Limited Partner who ceases to be a resident of Canada for purposes of the Tax Act is deemed to have disposed of, to the Partnership, its Units at the moment in time immediately preceding the time at which the Limited Partner ceases to be a resident of Canada. In such case the Limited Partner shall be entitled to receive from the Partnership consideration therefor equal to the Net Asset Value of the Units of such Limited Partner at the last Valuation Date prior to the date on which such Limited Partner ceases to be a resident of Canada for the purposes of the Tax Act, provided that the General Partner shall be entitled to withhold from such amount and remit to the Partnership a reasonable administration fee with respect to the transfer together with any amounts owed by such Limited Partner to the Partnership, whether pursuant to the terms thereunder or otherwise. Following such disposition, the former Limited Partner shall, pursuant to subsection 96(1.1) of the Tax Act, continue to be allocated the share of the Income or Loss of the Partnership which would have been allocated to the Limited Partner in the absence of such disposition in respect of each fiscal period of the Partnership and prior to the earliest of: (i) the date on which the former Limited Partner notified the General Partner of the change in residency or status as a partnership; or (ii) 10 days after the date on which General Partner requests proof from the former Limited Partner of its Canadian residency if such Limited Partner fails within such 10 day period to provide proof satisfactory to the General Partner.

Pursuant to the provisions of the Partnership Agreement, when the transferee has been registered as a Limited Partner under the Partnership Act, the transferee of Units shall become a party to the Partnership Agreement and shall

be subject to the obligations and entitled to the rights of a Limited Partner under the Partnership Agreement. A transferor of Units will remain liable to reimburse the Partnership for any amounts distributed to the transferor by the Partnership which may be necessary to restore the capital of the Partnership to the amount existing immediately prior to such distribution, if the distribution resulted in a reduction of the capital of the Partnership and the incapacity of the Partnership to pay its debts as they became due.

The Partnership Agreement provides that if the General Partner becomes aware that the beneficial owners of 45% or more of the Units then outstanding are, or may be, financial institutions or that such a situation is imminent, among other rights set forth in the Partnership Agreement, the General Partner has the right to refuse to issue Units or register a transfer of Units to any person unless that person provides a declaration that it is not a financial institution.

The Partnership Agreement provides if: (i) a Limited Partner has not, upon request, provided the General Partner with a duly and properly executed power of attorney; or (ii) the General Partner has reason to believe that any representation, warranty or covenant made by any Limited Partner is untrue at any time during the existence of the Limited Partnership, other than a representation with respect to "non-residency" status under the Tax Act and provided a Limited Partner fails to establish, upon being provided a reasonable opportunity to do so, that such representation, warranty or covenant remains true; then the General Partner may on behalf of the Limited Partner execute and deliver to the Transfer Agent and Registrar a transfer of all of the Units beneficially owned by such Limited Partner in favour of the Partnership or in favour of such other transferee as the General Partner may determine. Such Limited Partner shall be entitled to receive from the Partnership consideration for its Units, provided that the General Partner shall be entitled to deduct from the value of such Units an administrative fee with respect to the transfer and be entitled to withhold from such amount and remit to the Partnership any amounts owed by such Limited Partner to the Partnership, whether pursuant to the terms of the Partnership Agreement or otherwise.

Powers of the General Partner

Subject to the terms of the Investment Management Agreement discussed below, the General Partner has, to the exclusion of the Limited Partners, the sole power and exclusive authority to manage the business and affairs of the Partnership, to make all decisions regarding the business of the Partnership and to bind the Partnership, which includes the authority to delegate certain matters regarding its management, administration and investment authority to Norrep. The General Partner is required to exercise its powers and discharge its duties under the Partnership Agreement honestly, in good faith and in the best interests of the Limited Partners and the Partnership and shall, in discharging its duties, exercise the degree of care, the diligence and the skill that a reasonably prudent general partner would exercise in similar circumstances.

Certain restrictions are imposed on the General Partner and certain actions may not be taken by it without the approval of the Limited Partners by Special Resolution. The General Partner cannot dissolve the Partnership, wind up its affairs, or effect a sale or other disposition of its assets except in accordance with the provisions of the Partnership Agreement. However, by acquiring Units, Limited Partners consent to the Liquidity Alternative (which would involve the dissolution of the Partnership) and it is anticipated that no further approval from the Limited Partners will be sought or required to dissolve the Partnership in such circumstances unless the Liquidity Alternative is substantially different than described in this prospectus or if Limited Partner approval is required by NI 81-102. See "*Termination of the Partnership*".

Pursuant to the Investment Management Agreement, Norrep is appointed as the Fund Manager and Portfolio Manager of the Partnership and will provide advice on investments and manage the Partnership's investment portfolio as well as provide management, administrative and other services to the Partnership on behalf of the General Partner. Norrep is appointed as the exclusive manager of all investments on behalf of the Partnership and as such has the exclusive authority to make all investment decisions with respect to the Available Funds. Norrep will also provide the General Partner with office facilities, equipment and staff as required and the General Partner will reimburse Norrep for such services rendered by Norrep, the cost of which will be borne by the General Partner and not reimbursed by the Partnership.

The General Partner, on behalf of the Partnership, may elect to terminate the Book-Entry System through CDS, in which case CDS will be replaced or certificates in fully registered certified form will be issued to Limited

Partners as of the effective date of such termination or, alternatively, a global certificate will be issued in respect of such Units.

The officers of the General Partner shall devote such time and effort to the Partnership's business as may be necessary to promote adequately the interests of the Partnership and the mutual interests of the Limited Partners. The Partnership Agreement specifically provides that the General Partner shall not engage in any business other than acting as the general partner of the Partnership and such other similar limited partnerships as the General Partner may determine from time to time.

Limited Recourse Financings

Under the terms of the Loan Facility, the Partnership will borrow an amount equal to the Agents' commissions and expenses incurred by the Partnership under the Offering and the Operating Costs. The unpaid principal amount of the borrowing will be deemed to be a Limited Recourse Amount of the Partnership under the Tax Act which reduces the related expenses by the unpaid principal amount. At the time that all or a portion of the indebtedness is repaid by the Partnership, the related expenses will be deemed to have been incurred by the Partnership at the time of, and to the extent of, the repayment, provided the repayment is not part of a series of loans or other indebtedness and repayments. See "*Income Tax Considerations – Computation of Income of Limited Partners*" and "*Investment Strategies – Loan Facility*".

Resignation or Removal of General Partner

The General Partner is entitled to resign as the general partner of the Partnership at any time after receiving approval by Ordinary Resolution and on not less than 180 days after written notice to all Limited Partners. Except in the case of the dissolution of the Partnership, at the effective time of resignation, a qualified successor to the General Partner shall have been appointed in accordance with the terms of the Partnership Agreement. In the event of the bankruptcy, dissolution, liquidation, insolvency or winding-up or the making of any assignment for the benefit of creditors of the General Partner or the appointment of a trustee, receiver, receiver and manager, or liquidator, or following any event permitting a trustee or receiver or receiver and manager, to administer the affairs of the General Partner, provided that the trustee, receiver, receiver and manager, or liquidator performs its functions for 60 consecutive days, a new general partner shall be appointed by the Limited Partners by Ordinary Resolution within 180 days' notice of such event. The Limited Partners may at any time remove the General Partner by Ordinary Resolution and appoint a new general partner in its place if the General Partner commits fraud or wilful misconduct in the performance of, or wilful disregard or breach of, the obligations or duties of the General Partner under the Partnership Agreement. In addition, the Limited Partners may also remove the General Partner and appoint a successor at any time after December 31, 2018 if the Partnership has not been liquidated prior thereto, provided such removal has been approved by Special Resolution.

Indemnification of Limited Partners and Liability of General Partner

The General Partner has agreed to indemnify each Limited Partner from any and all losses, liabilities, expenses and damages suffered by such Limited Partner where the liability of such Limited Partner is not limited (see "*Securityholder Matters – Limited Liability of Limited Partners*"), provided that such loss of limited liability was caused by an act or omission of the General Partner or by the negligence or wilful misconduct in the performance of, or wilful disregard or breach of, the obligations or duties of the General Partner under the Partnership Agreement. Such indemnity will apply only with respect to losses in excess of the agreed capital contribution of the Limited Partner. The General Partner will also indemnify and hold harmless the Partnership and each Limited Partner from any costs, damages, liabilities, expenses or losses suffered or incurred by the Partnership and/or the Limited Partner, as the case may be, resulting from or arising out of negligence or wilful misconduct in the performance of, or wilful disregard or breach of, the obligations or duties of the General Partner under the Partnership Agreement. The amount of any such indemnity will be limited to the extent of the assets of the General Partner and will under no circumstance include the assets of the General Partner's parent corporation or any Affiliate of the General Partner. Except for the foregoing matters, the General Partner will not otherwise be called upon or be liable to indemnify the Partnership or any Limited Partner.

The General Partner has unlimited liability for the undertakings, liabilities and obligations of the Partnership. The General Partner will not be liable to the Limited Partners for any mistakes or errors in judgement, or for any act or omission believed by it in good faith to be within the scope of the authority conferred upon it by the Partnership Agreement (other than an act or omission which is in contravention of the Partnership Agreement or which results from or arises out of negligence or wilful misconduct in the performance of, or wilful disregard of, the obligations or duties of the General Partner under the Partnership Agreement) or for any loss or damage to any of the property of the Partnership attributable to an event beyond the control of the General Partner or its Affiliates. The General Partner has limited financial resources which will affect its ability to indemnify Limited Partners. See "*Risk Factors – Reliance on the General Partner and the Portfolio Manager*".

Rights of the Limited Partners

Under the Partnership Agreement, a Limited Partner has the right:

(a) to one vote per Unit at Partnership meetings, which vote may be exercised personally or by proxy (see "*Securityholder Matters – Meetings and Voting*" for details of voting restrictions);

(b) to receive allocations, distributions and entitlements, as the case may be, of Income, Loss, Net Earnings (subject to certain restrictions) and Eligible Expenditures; and

(c) to be given, on reasonable demand, true and full information concerning all matters affecting the Partnership and to be given a complete and formal account of the Partnership's affairs whenever circumstances render it just and reasonable. Notwithstanding the foregoing, a Limited Partner will not have access to any information which in the opinion of the General Partner should be kept confidential in the interests of the Partnership and which is not required to be disclosed by applicable securities laws or other laws governing the Partnership.

Limited Liability of Limited Partners

The liability of each Limited Partner for the undertakings, liabilities and obligations of the Partnership is limited to the amount contributed to the Partnership by such Limited Partner plus his, her, or its *pro rata* share of any undistributed Income of the Partnership, however, a Limited Partner may be liable to repay, with interest, distributions which render the Partnership unable to meet its obligations. In order to retain limited liability status, a Limited Partner may not take part in the control or management of the business of the Partnership and may not take an active part in the business of the Partnership.

The limitation of liability of a Limited Partner will be lost by a Limited Partner who takes part in the control or management of the business of the Partnership or who takes an active part in the business of the Partnership, or who is also a general partner of the Partnership, or whose name, or a distinctive part of whose corporate name, appears in the firm name of the Partnership. Limited Partners may be considered general partners under applicable legislation, with the resultant loss of limited liability, in the event the General Partner is dissolved or becomes bankrupt and the business of the Partnership is continued after the occurrence of such events. The limitation of liability will also be lost as a result of false statements in public filings made pursuant to the Partnership Act and other legislation which are known to be false by a Limited Partner and which such Limited Partner fails to have corrected within a reasonable amount of time. There is also a possibility that Limited Partners may lose their limited liability to the extent that the principles of Canadian law recognizing the limitation of liability of limited partners have not been authoritatively established with respect to limited partnerships formed under the laws of one province but operating, owning property or incurring obligations in another province. However, in the Provinces of British Columbia, Alberta, Nova Scotia, Prince Edward Island and Newfoundland and in the Yukon Territory and the Northwest Territories, such limited liability is fully recognized if the Partnership is registered in such provinces and territories as an extra-provincial limited partnership and complies with the requirements governing limited partnerships incorporated in such provinces and territories. In the Provinces of New Brunswick and Saskatchewan, the limited liability of a limited partner of an extra-provincial limited partnership is governed by the laws of the jurisdiction under which such partnership is formed (*i.e.*, in the case of the Partnership, the laws of the Province of Alberta). The Partnership is or will be registered as an extra-provincial limited partnership in such provinces and territories if the Partnership intends to carry on business

therein. The Partnership will comply with the relevant legislation of each jurisdiction where it is registered as an extra-provincial limited partnership and will ensure that its registration in each of such provinces and territories is kept up to date. The Partnership will operate in such a manner as the General Partner, on the advice of counsel to the Partnership, deems appropriate to ensure, to the greatest extent possible, limited liability to the Limited Partners.

In order to protect the Partnership's assets and to preserve the limited liability of the Limited Partners in certain circumstances the General Partner will indemnify and hold harmless each Limited Partner from and against all losses, liabilities, expenses and damages suffered by such Limited Partner where the liability of such Limited Partners is not limited (see "*Securityholder Matters – Indemnification of Limited Partners and Liability of General Partner*") provided that such loss of limited liability was caused by an act or omission of the General Partner or by the negligence or wilful misconduct in the performance of, or wilful disregard or breach of, the obligations or duties of the General Partner under the Partnership Agreement. See "*Risk Factors – Possible Loss of Limited Liability and Liability for Return of Capital*" and "*Risk Factors – Reliance on the General Partner and the Portfolio Manager*".

If limited liability is lost or not recognized as described above, there is a risk that the Limited Partners may be liable beyond their respective capital contributions and share of undistributed income of the Partnership in the event of a judgment or a claim against the Partnership in an amount exceeding the total of: (i) the then current and the future net assets of the General Partner; and (ii) the net assets of the Partnership.

Generally, other than the possible loss of limited liability, no Limited Partner will be obligated to pay any additional assessment on or with respect to the Units held by the Limited Partner. However, where a Limited Partner has received a distribution from the Partnership, it may be liable to return to the Partnership or, if the Partnership has been dissolved, to its creditors any amount, not in excess of the amount distributed to the Limited Partner with interest, as may be necessary to discharge the liabilities of the Partnership to all creditors who extended credit or whose claims otherwise arose before such distribution. As well, a Limited Partner will hold as trustee for the Partnership specific property stated in the current record of Limited Partners or the Partnership Agreement as contributed by such Limited Partner, but which has not in fact been contributed or which has been returned contrary to applicable legislation, and money or other property paid or conveyed to such Limited Partner on account of such Limited Partner's contribution contrary to applicable legislation.

Meetings of Securityholders

The General Partner may at any time convene a meeting of the Limited Partners and will be required to convene a meeting on receipt of a request in writing of Limited Partners holding, in aggregate, 10% or more of the Units outstanding. Each Limited Partner is entitled to one vote for each Unit held. The General Partner is not entitled to any vote in its capacity as General Partner. A quorum consists of two or more Limited Partners present in person or by proxy and representing not less than 10% of the Units outstanding. If a quorum is not present at a meeting within 30 minutes after the time fixed for the meeting, the meeting, if convened pursuant to a request of Limited Partners, will be cancelled, but otherwise will be adjourned to another day, not less than 10 days nor more than 21 days later, selected by the chair and notice will be given to the Limited Partners of such adjourned meeting. The Limited Partners present at any adjourned meeting will constitute a quorum. Neither the General Partner nor any of its Affiliates may vote or have its Units (if any) voted in respect of any matter in which the General Partner or any of its Affiliates has a material interest.

Matters Requiring Limited Partner Approval

Fundamental changes to the Partnership Agreement, including changes to the fundamental investment objectives and material investment strategies, may only be made with the consent of the Limited Partners given by Special Resolution. However, unless all of the Limited Partners consent thereto, no amendment can be made to the Partnership Agreement which would have the effect of reducing the interest in the Partnership of the Limited Partners, changing in any manner the allocation of CEE or CDE or of income or loss for tax purposes, changing the liability of any Limited Partner, allowing any Limited Partner to participate in the control or management of the business of the Partnership, changing the right of the Limited Partners or the General Partner to vote at any meeting, or changing the Partnership from a limited partnership to a general partnership. In addition, no amendment can be made to the

Partnership Agreement which would have the effect of reducing the General Partner's share of income or assets of the Partnership unless the General Partner, in its sole discretion, consents thereto.

Notwithstanding the foregoing, the General Partner is entitled to make amendments to the Partnership Agreement without the consent of the Limited Partners for the purpose of adding any provision which, in the opinion of the General Partner, based on the recommendation of counsel to the Partnership, are for the protection or benefit of the Limited Partners or the Partnership, for the purpose of curing an ambiguity or for the purpose of correcting or supplementing any provision which may be defective or inconsistent with another provision. Such amendments may be made only if they will not adversely affect the interest of any Limited Partner.

Reporting to Securityholders

A copy of the audited annual financial statements and the annual Management Report of Fund Performance will be mailed by the General Partner to each Limited Partner who has elected to receive such within 90 days following the end of each Fiscal Year, except for a Fiscal Year ending on or after a Mutual Fund Rollover Transaction. Subject to compliance with all applicable laws, following the end of each interim period for which unaudited financial statements are required to be prepared by the Partnership, the General Partner will, within the time period prescribed by applicable securities legislation, mail to each Limited Partner who has elected to receive such, unaudited interim financial statements and an interim Management Report of Fund Performance of the Partnership for the most recently completed interim period. The audited annual financial statements of the Partnership will also be accompanied by a report on allocations and distributions. The General Partner, on behalf of the Partnership, may seek exemptions from certain continuous disclosure obligations under applicable securities laws.

In addition, the General Partner shall, by March 31 (or as soon as possible thereafter), forward to each Limited Partner of record on December 31 of the preceding Fiscal Year, information in a suitable form to enable the Limited Partner to complete its income tax reporting relating to its interest in the Partnership, and shall similarly forward such information within 90 days of the date of dissolution of the Partnership to each Limited Partner of record on the date of dissolution.

The General Partner or Norrep, as the case may be, shall keep adequate books and records reflecting the activities of the Partnership. A Limited Partner or its duly authorized representative shall have the right to examine the books and records of the Partnership during normal business hours at the offices of the General Partner. Notwithstanding the foregoing, a Limited Partner will not have access to any information which in the opinion of the General Partner should be kept confidential in the interests of the Partnership and which is not required to be disclosed by applicable securities laws or other laws governing the Partnership.

The Power of Attorney

The Partnership Agreement includes an irrevocable power of attorney coupled with an interest authorizing the General Partner on behalf of the Limited Partners, among other things, to execute, under seal or otherwise, the Partnership Agreement and any instrument, deed or document required in carrying on the business of the Partnership as authorized by the Partnership Agreement, to attend to certain formalities required to record changes in the ownership of Units and any amendments to the Partnership Agreement to maintain the good standing of the Partnership, to make elections or designations under tax statutes. The power of attorney does not include the authority to execute any proxy on behalf of any Limited Partner or to vote on behalf of any Limited Partner. **By purchasing Units, each Investor acknowledges and agrees that it has given such power of attorney and will ratify any and all actions taken by the General Partner pursuant to such power of attorney**.

Amendments

The General Partner is entitled to make certain amendments to the Partnership Agreement without the consent of the Limited Partners for the purpose of adding any provisions which, in the opinion of counsel to the General Partner, are necessary for the protection of the Limited Partners or, for the purpose of curing any ambiguity or correcting or supplementing any provision which may be defective or inconsistent with another provision, if such amendments do not, in the opinion of counsel to the General Partner, adversely affect the rights of the Limited

Partners. The General Partner will notify the Limited Partners of the full details of any amendments within 30 days after the effective date of the amendment. The Limited Partners may, by Special Resolution, amend the Partnership Agreement provided that no amendment may be made that would have the effect of reducing the General Partner's share of the Income or assets of the Partnership or the fees payable to the General Partner and/or the Fund Manager (unless the General Partner, in its sole discretion, consents thereto), reducing the interest in the Partnership of the Limited Partners (unless all of the Limited Partners consent thereto), changing in any manner the allocation of Income or Loss or Eligible Expenditures for tax purposes, changing the liability of any Limited Partner, allowing any Limited Partner to exercise control over or management of the business of the Partnership, changing the right of a Limited Partner or the General Partner to vote at any meeting or changing the Partnership from a limited partnership to a general partnership.

TERMINATION OF THE PARTNERSHIP

General

The Partnership will continue until December 31, 2018, unless: (a) the Liquidity Alternative is implemented; (b) the term of the Partnership is extended by Special Resolution; or (c) the Partnership is dissolved earlier pursuant to certain events stated in the Partnership Agreement.

In order to provide Limited Partners with liquidity and potential for long-term growth of capital, the General Partner currently intends to implement the Liquidity Alternative on or before September 30, 2018 pursuant to the terms of the Transfer Agreement, subject to receipt of any required approvals. Norrep will bear all the costs associated with implementing the Liquidity Alternative.

The General Partner currently intends to implement one or more Mutual Fund Rollover Transactions that will involve distributing the Partnership's assets (valued at Net Asset Value less the amount paid under the Performance Bonus) to a Mutual Fund in exchange for shares of the applicable Mutual Fund or Mutual Funds (Series F shares of the applicable Mutual Fund unless otherwise selected by the Limited Partner), which would be distributed to the Limited Partners participating in such Mutual Fund Rollover Transaction *pro rata* on a tax deferred basis in connection with the dissolution of the Partnership.

If such a Liquidity Alternative is proposed, it will be referred to the Partnership's Independent Review Committee and the independent review committee of the applicable Mutual Funds for review and approval. The Limited Partners will also be sent a written notice of the Liquidity Alternative at least 60 days before the effective date of the Liquidity Alterative. Upon receiving the approval of the respective independent review committees and any other required approvals, the Liquidity Alternative would be implemented. Appropriate elections under applicable income tax legislation will be made to implement the Liquidity Alternative on a tax-deferred basis to the extent possible. Any assets of the Partnership that are transferred to a Mutual Fund pursuant to the Liquidity Alternative will be subject to the investment objectives, strategies and restrictions of the particular Mutual Fund as well as applicable laws. If such transfer is completed, the Limited Partners would receive Mutual Fund shares, which will be redeemable at the option of the holder based upon the redemption price next determined after receipt by the Mutual Fund of the redemption notice.

A requirement to obtain approvals, including regulatory approvals, may arise in the situation where the Partnership does not implement a Liquidity Alternative as contemplated in this prospectus, but proposes to implement an alternative form of liquidity arrangement. The General Partner may call a meeting of the Limited Partners to approve a Liquidity Alternative upon different terms but intends to do so only if such other form of Liquidity Alternative is substantially different than described in this prospectus or if Limited Partner approval is required by NI 81-102.

In addition, the Partnership is subject to NI 81-102. NI 81-102 provides that investment funds are required to obtain securityholder approval for certain reorganizations (including where securityholders become securityholders of another issuer) unless an exemption is available. It is anticipated that the Partnership will implement the Liquidity Alternative without the requirement for Limited Partner approval by relying on one of the exemptions in NI 81-102.

However, if the exemptions are not available to the Partnership at the time of the Liquidity Alterative then the Partnership would be required to seek Limited Partner approval to implement the Liquidity Alternative.

By acquiring Units, Limited Partners consent to the Liquidity Alternative and it is anticipated that no further approval from the Limited Partners will be sought or required unless the Liquidity Alternative is substantially different than described in this prospectus or if Limited Partner approval is required by NI 81-102. Although the approval of Limited Partners may not be obtained to implement the Liquidity Alternative, the Limited Partners will be sent written notice at least 60 days before the effective date of the Liquidity Alternative.

Norrep acts as the manager and portfolio manager of Norrep Energy Class, a class of securities of Norrep Opportunities. It is anticipated that Norrep Energy Class will be the Mutual Fund that participates in the Liquidity Alternative; however, the General Partner retains the discretion to select another mutual fund to act as a Mutual Fund, provided that it is an open-ended mutual fund corporation that is a reporting issuer and has Norrep as investment fund manager. See "*Termination of the Partnership – Norrep Opportunities*" below for a description of Norrep Opportunities and Norrep Energy Class.

Completion of the Liquidity Alternative will be subject to approval by the Independent Review Committee for each of the Partnership and the Mutual Fund(s) and receipt of any necessary approvals (including regulatory approvals and compliance with all applicable laws). The Liquidity Alternative will not be implemented if it would prospectively or retroactively affect the status of the Flow-Through Shares as flow-through shares for income tax purposes. The Fund Manager will pay all expenses related to implementing the Liquidity Alternative.

There is no assurance that the Liquidity Alternative or any alternative transaction will be proposed, will receive any necessary approvals (including regulatory approvals), will be implemented or will be implemented on a tax-deferred basis.

Notwithstanding the foregoing, the Partnership Agreement also states that the Liquidity Alternative may be implemented or the Partnership may be terminated at a date later than September 30, 2018 or December 31, 2018 (as applicable) if the General Partner determines in its discretion that the Liquidity Alternative or termination of the Partnership cannot be practicably implemented by September 30, 2018 or December 31, 2018 (as applicable) or if to do so would be detrimental to the interests of Limited Partners or the Partnership, provided that unless the Partnership is otherwise terminated in accordance with the terms of the Partnership Agreement, the Partnership will within 30 months following the completion of the Offering undertake a reorganization with, or transfer of its assets to, a an open-end mutual fund corporation that is managed by Norrep or by an Affiliate of Norrep. If the Partnership continues in operation beyond September 30, 2018 or December 31, 2018 (as applicable), Norrep will invest the net proceeds of any dispositions of Flow-Through Shares or other securities (after repayment of indebtedness, including any indebtedness that is a limited recourse amount, of the Partnership) in High Quality Money Market Instruments pending implementation of the Liquidity Alternative or termination of the Partnership (as applicable).

Whether the Liquidity Alternative is implemented or the Partnership is terminated by other means, in any event, the Limited Partners of the Partnership will cease to be securityholders of the Partnership within 30 months following the completion of the Offering and the Partnership, unless the Partnership is otherwise terminated in accordance with the terms of the Partnership Agreement, will within 30 months following the completion of the Offering undertake a reorganization with, or transfer of its assets to, an open-end mutual fund corporation that is managed by Norrep or by an Affiliate of Norrep.

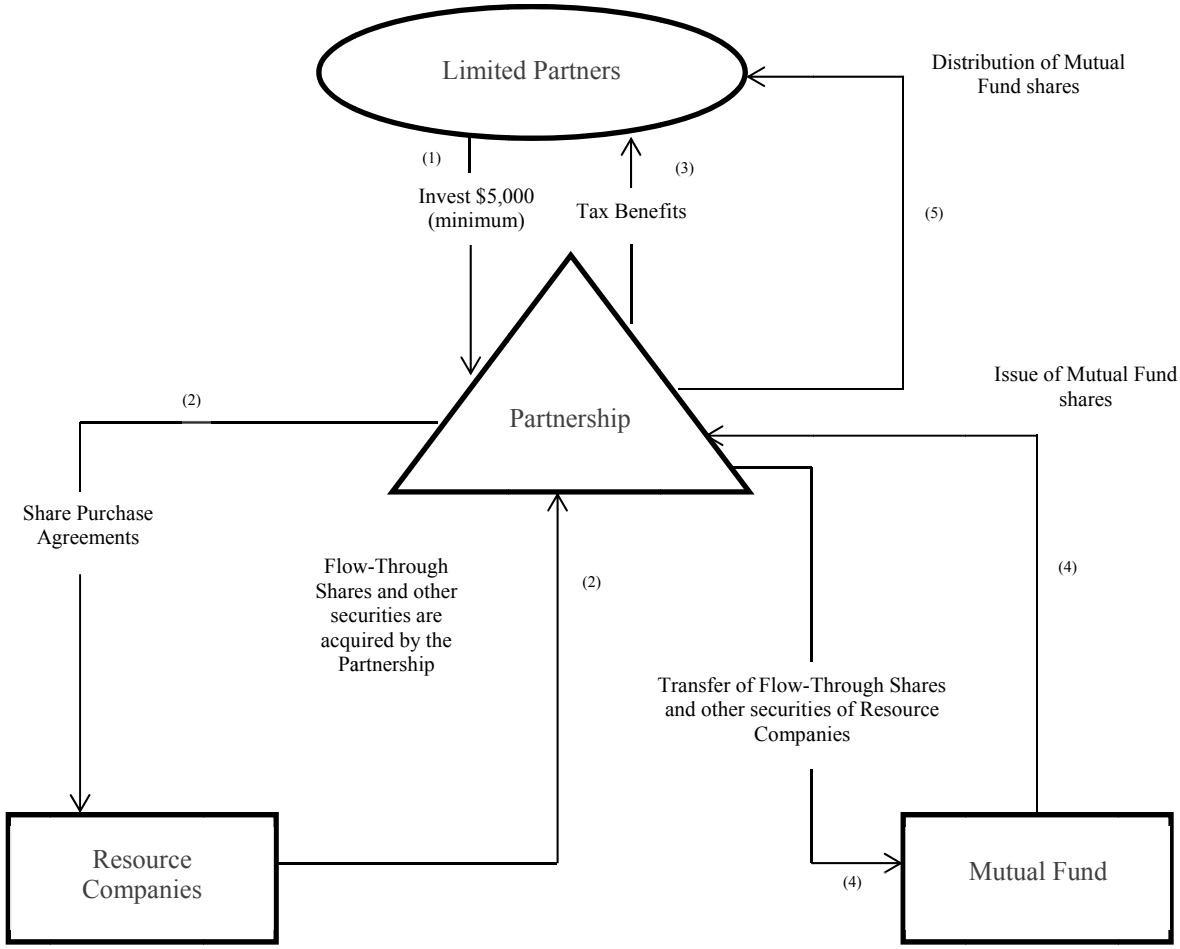
If the Liquidity Alternative is not implemented, upon termination of the Partnership, all of the Partnership's debts and liabilities will first be paid in full (including all amounts outstanding under the Loan Facility) and thereafter, the Partnership will pay all amounts owing to Norrep in respect of the Performance Bonus. After such payments, the net assets of the Partnership will be distributed to the Limited Partners and the General Partner.

Although the General Partner intends that the termination of the Partnership will be on a tax-deferred basis for Limited Partners, there is no assurance it will be, regardless of whether the termination is a Liquidity Alternative or some other transaction.

In connection with the termination of the Partnership, the General Partner or its designee will take all reasonable steps to liquidate the assets of the Partnership. Should the liquidation not be practicable or appropriate, those securities may be distributed to the partners of the Partnership *in specie* on such date. The market for such securities may be limited due to factors such as fluctuations in trading volumes and prices and such securities may be subject to resale restrictions which may restrict the ability of the Partnership or, in the case of an *in specie* distribution, the Limited Partners from disposing of such securities until applicable statutory hold periods have expired. The Partnership Agreement provides that the Partnership and the General Partner will, prior to the termination of the Partnership, use its best efforts to obtain such regulatory relief as may be appropriate to eliminate any such resale restrictions. However, the granting of such relief is at the discretion of applicable regulatory authorities. See "*Risk Factors – Underlying Securities*".

Illustration of Liquidity Alternative

The following diagram represents the series of transactions that constitute the Liquidity Alternative, if implemented.



Notes:

1. Investors invest in Units. The Subscription Price for the Units is payable in full at Closing.
2. The Partnership enters into Flow-Through Investment Agreements with Resource Companies.
3. Investors must be Limited Partners on December 31, 2017 to obtain tax deductions in respect of such year.
4. The Partnership intends to implement the Liquidity Alternative. If the Liquidity Alternative is implemented then the assets of the Partnership will be transferred to a Mutual Fund in exchange for Mutual Fund shares on a tax-deferred basis, provided appropriate elections are made. It is anticipated that Norrep Energy Class will be the Mutual Fund that participates in a Liquidity Alternative; however, the General Partner retains the discretion to select another mutual fund to act as the Mutual Fund, provided that it is an open-ended mutual fund corporation that is a reporting issuer and has Norrep as investment fund manager. See "*Termination of the Partnership – Norrep Opportunities*" below for a description of Norrep Opportunities and Norrep Energy Class.
5. In connection with the Liquidity Alternative, if any, the Partnership will be dissolved and the Limited Partners will receive their *pro rata* portion of the Mutual Fund shares. The Mutual Fund shares will be redeemable at the option of the former Limited Partners.

Norrep Opportunities

Norrep Opportunities was amalgamated under the *Business Corporations Act* (Alberta) on November 22, 2004 under the name Norrep Opportunities Corp. from its predecessor companies – Norrep II Fund Inc. and Norrep Opportunities Corp. However, the amalgamation did not result in the merger of Norrep II Fund Inc. and Norrep Q Class of Norrep Opportunities Corp. in that each continued as a separate class of mutual fund shares. All of the assets and expenses of Norrep II Fund Inc. were exchanged for shares of the Norrep II Class of Norrep Opportunities, and all of the assets and expenses of the Norrep Q Class of the predecessor Norrep Opportunities Corp. were exchanged for shares of the Norrep Q Class. The head office and principal place of business of Norrep Opportunities is 1100, 606 - 4

Street SW, Calgary, Alberta, T2P 1T1. Norrep Group is the sole shareholder of the common voting shares of Norrep Opportunities and Gary Perron is the majority beneficial shareholder of Norrep Group. Norrep is the fund manager and portfolio manager for Norrep Opportunities. See "*Organization and Management Details of the Partnership – The Fund Manager and Portfolio Manager*" for more information regarding Norrep.

Norrep II Fund Inc. acquired all of the assets of the 1999 Partnership effective September 29, 2001, the 2000 Partnership effective October 9, 2002, and the 2001 Partnership effective December 16, 2003 on a tax deferred basis in exchange for shares of Norrep II Fund Inc. Norrep Opportunities acquired all of the assets of the 2002 Partnership effective January 12, 2005, the 2003 Partnership effective February 7, 2006, the 2004 Partnership effective June 13, 2007 and the 2005 Partnership effective June 25, 2008 in exchange for shares of the Norrep II Class of Norrep Opportunities. Norrep Opportunities acquired all of the assets of the 2006 Partnership effective September 25, 2009, the 2007 Partnership and the 2008 Partnership effective June 11, 2010, the 2009 Partnership effective September 15, 2010, the 2010 Partnership effective April 8, 2011, the 2011 Partnership effective April 13, 2012, the 2012 Partnership effective March 8, 2013 and the 2013 Partnership effective March 13, 2014 in exchange for shares of the Norrep Energy Class of Norrep Opportunities.

Norrep Opportunities is currently composed of 8 classes of mutual fund shares: Norrep II Class, Norrep US Dividend Plus Class, Norrep Income Growth Class, Norrep Energy Class, Norrep Entrepreneurs Class, Norrep High Yield Class, Norrep Global Income Growth Class and Norrep Tactical Opportunities Class. It is currently expected that the assets of the Partnership will be exchanged for shares of Norrep Opportunities, of such a class to be determined by Norrep in its capacity as manager of the Partnership, pursuant to the Liquidity Alternative.

Norrep II Class is focused on North American small capitalization equities.

Norrep US Dividend Plus Class is designed to provide holders with a stable monthly stream of cash distributions and to achieve long term capital appreciation and current income by investing primarily in equity securities. On January 18, 2013, Norrep Opportunities amended its articles and changed the name of "Norrep US Class" to "Norrep US Dividend Plus Class".

Norrep Income Growth Class is designed to provide holders of its shares with a stable stream of cash distributions and the potential for long term capital appreciation by investing in small and mid-capitalization high yield securities.

Norrep Energy Class is designed to achieve long term capital appreciation by investing in both Canadian and foreign resource companies. On May 30, 2012, Norrep Opportunities amended its articles and changed the name of "Norrep Resource Class" to "Norrep Energy Class".

Norrep Entrepreneurs Class is designed to achieve long term capital appreciation by investing primarily in securities of smaller capitalization companies.

Norrep High Yield Class is designed to provide holders with a stable stream of monthly cash distributions and to achieve long term capital appreciation by investing primarily in corporate debt securities and other similar investments.

Norrep Global Income Growth Class is designed to provide holders with a stable stream of monthly cash distributions and the potential for long term capital appreciation by investing in small, mid and large capitalization high yield securities from around the world.

Norrep Tactical Opportunities Class is designed to provide holders with a stable stream of quarterly cash distributions and the potential for long term capital appreciation by investing in equity and debt securities of Canadian, U.S. and international companies of all capitalizations.

Norrep Canadian Equity Class existed as a class of Norrep Opportunities until June 17, 2016, when it was terminated following the transfer of its assets to Norrep Core Canadian Pool, a share class of Norrep Core Portfolios Ltd.

Norrep Global Class, a former class of Norrep Opportunities focused on securities of issuers of all capitalization throughout the world, was merged into Norrep Global Income Growth Class effective June 27, 2016.

Assets of Norrep Opportunities' portfolios may also be invested in debt obligations or held in cash to the extent that economic, market or other conditions make it appropriate.

Norrep manages each of the classes of Norrep Opportunities in accordance with the investment restrictions and practices set out in National Instrument 81-102 *Investment Funds* ("**NI 81-102**"), which are designed, in part, to ensure that the investments of a mutual fund are diversified and relatively liquid and to ensure proper administration of a mutual fund.

Norrep Opportunities' public documents, including the fund facts documents of each of its classes, its simplified prospectus, its annual information form and its financial statements can be viewed at the website maintained by the Canadian Securities Administrators at www.sedar.com. Additional information in respect of Norrep Opportunities, including daily prices (net asset value), can be obtained by visiting Norrep's website at www.norrep.com or by contacting Norrep during business hours (Calgary time) at 1-888-531-9355. None of the information contained on Norrep's website is or shall be deemed to be incorporated herein by reference.

The Agents do not assume any responsibility for the accuracy or completeness of the information or any data included on or accessed from Norrep Opportunities' website referenced above and the Agents shall have no liability for any errors or omissions therein. The Agents make no representation or warranty, express or implied, as to any information or data included on or accessed from such website and the Agents are under no obligation to ensure such website is maintained or updated.

Summary of the Transfer Agreement

Any Mutual Fund Rollover Transaction, if undertaken, will be effected pursuant to the terms of a Transfer Agreement. Completion of any Mutual Fund Rollover Transaction will be subject to the receipt of all approvals that may be necessary and the other conditions set forth in the Transfer Agreement. There can be no assurance that a Mutual Fund Rollover Transaction will receive the necessary approvals or be implemented. The Transfer Agreement contains among other things, the following terms and conditions:

(a) at the time of closing of the Mutual Fund Rollover Transaction, Norrep Opportunities will be a "mutual fund corporation" (as defined in the Tax Act);

(b) at the time of closing of the Mutual Fund Rollover Transaction, the Mutual Fund will be a reporting issuer or the equivalent thereof in each province of Canada and not in default of any applicable securities legislation;

(c) at the time of closing of the Mutual Fund Rollover Transaction, the representations and warranties of Norrep Opportunities contained in the Transfer Agreement will be true and correct in all material respects at the time of closing, including, but not limited to, a management agreement with respect to the management of the assets of the Mutual Fund having been entered into between Norrep Opportunities and Norrep and being valid and enforceable;

(d) at the time of closing of the Mutual Fund Rollover Transaction, all necessary orders and consents, if any, shall have been received;

(e) at the time of closing of the Mutual Fund Rollover Transaction, the purchase of the Partnership's assets under the Mutual Fund Rollover Transaction shall be consistent with the investment objectives, and shall not contravene any investment restrictions, of the Mutual Fund; and

(f) at the time of closing of the Mutual Fund Rollover Transaction, approval of the Independent Review Committee of the Mutual Fund and the Partnership shall have been obtained.

The Transfer Agreement is assignable by Norrep Opportunities, and Partnership assets may be transferred, to any other open-end mutual fund corporation having Norrep as investment fund manager pursuant to a management agreement.

USE OF PROCEEDS

The proceeds estimated to be realized on completion of the minimum Offering and the maximum Offering is as follows:

	Maximum Offering	Minimum Offering
Net Proceeds		
Gross Proceeds[(1)]	$25,000,000	$5,000,000
Agents' commissions[(2)]	($1,437,500)	($287,500)
Estimated expenses of the Offering[(3)]	($369,000)	($100,000)
Net Proceeds	$23,193,500	$4,612,500
Available Funds		
Operating Costs[(4)]	($432,883)	($85,865)
Loan Facility[(5)]	$2,239,383	$473,365
Available Funds[(6)]	$25,000,000	$5,000,000

Notes:

1. The Subscription Price was determined by negotiation between BMO Nesbitt Burns Inc., on behalf of itself and the Agents, and the General Partner, on behalf of itself and the Partnership.
2. The Agents' commission will be paid by the Partnership from funds borrowed under the Loan Facility and not from the proceeds of the Offering. See "*Fees and Expenses – Initial Fees and Expenses*" and "*Investment Strategies – Loan Facility*".
3. The estimated expenses of the Offering will be paid by the Partnership from funds borrowed under the Loan Facility and not from the proceeds of the Offering. Norrep will pay the expenses of the Offering (exclusive of Agents' commission) in excess of 2% of the Gross Proceeds. See "*Fees and Expenses – Initial Fees and Expenses*" and "*Investment Strategies – Loan Facility*".
4. An amount will be borrowed under the Loan Facility to fund the Operating Costs (which includes the Management Fee). See "*Fees and Expenses – Ongoing Expenses*" and "*Fees and Expenses – Management Fee*".
5. The Partnership may borrow an amount up to 10% of the Gross Proceeds pursuant to the Loan Facility to finance the Agents' commission, expenses of the Offering and the Operating Costs. The interest rates, fees and expenses under the Loan Facility are expected to be typical of credit facilities of this nature and the Partnership will provide a security interest in favour of the Lender to secure such borrowings. See "*Investment Strategies – Loan Facility*".
6. The Available Funds is expected to be $5,000,000 in the case of the minimum Offering and $25,000,000 in the case of the maximum Offering as the Agents' commissions, expenses of the Offering, and the Operating Costs will be paid from funds borrowed under the Loan Facility. See "*Use of Proceeds*" and Note 5 above.

The Partnership will use the Gross Proceeds to subscribe for Flow-Through Shares in accordance with the investment criteria and restrictions set out in the Partnership Agreement and described under "*The Partnership – Investment Strategies*".

Gross Proceeds not immediately invested in Flow-Through Shares of Resource Companies or required for the operations of the Partnership will be invested in High Quality Money Market Instruments. Interest accruing to the benefit of the Partnership will form part of the Gross Proceeds.

Any Available Funds that have not been committed by the Partnership to purchase Flow-Through Shares on or before December 31, 2017, that are in excess of outstanding bank indebtedness and any accrued interest thereon) at that date, will be distributed by January 15, 2018, plus accrued interest thereon, on a *pro rata* basis to Limited Partners of record on December 31, 2017.

PLAN OF DISTRIBUTION

Pursuant to an agency agreement (the "**Agency Agreement**") dated April 28, 2017 between the General Partner, the Partnership, Norrep and BMO Nesbitt Burns Inc., CIBC World Markets Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Scotia Capital Inc., TD Securities Inc., GMP Securities L.P., Raymond James Ltd., Canaccord Genuity Corp., Desjardins Securities Inc., Industrial Alliance Securities Inc., Laurentian Bank Securities Inc. and Manulife Securities Incorporated (the "**Agents**"), the Partnership has appointed the Agents as its sole and exclusive agents to obtain subscriptions for the Units offered hereby on a "best efforts" basis at a price of $10.00 per Unit. The price was determined by negotiation between BMO Nesbitt Burns Inc., on behalf of itself and the Agents, and the General Partner, on behalf of itself and the Partnership. In consideration for their services in connection with the Offering, the Agents are entitled to receive commissions of $0.575 for each Unit sold payable on each Closing and reimbursement of certain expenses incurred in connection with the provision of their services.

The Agents may form selling groups consisting of persons registered to sell securities in jurisdictions where the Units may be lawfully offered for sale, and may determine the commission payable to the members of the selling groups. While the Agents have agreed to sell the Units offered hereby on a best efforts basis, they are not obligated to purchase any such Units. Under the terms of the Agency Agreement, the Agents may, at their discretion on the basis of their assessment of the state of the financial markets and upon the occurrence of certain stated events, terminate the Agency Agreement and, in such circumstances, may withdraw all subscriptions for Units on behalf of Investors.

Offers to purchase Units under the Offering will be received subject to rejection or allotment in whole or in part. See "*Purchases of Securities*". An Investor whose Offer to Purchase Units has been accepted by the General Partner or its agent will become a Limited Partner upon the amendment of the record of limited partners maintained by the General Partner to include the Investor's name and other information prescribed by the Partnership Act, which shall be reflected in the Certificate. The right is reserved by the Partnership and the Agents to close the offering books at any time without notice. The Initial Closing Date will be May 9, 2017 or such other date as may be agreed upon by the Partnership and the Agents that is no later than 90 days from the date of issuance of a final receipt for this prospectus.

The Agents will hold subscription proceeds received from Investors prior to Closing until subscriptions for the minimum Offering are received and other closing conditions of the Offering have been satisfied.

If the conditions have not been met within 90 days from the date of issuance of a final receipt for this prospectus, then the subscription funds will be returned, without interest or deduction, to the Investors. If such conditions are met, each Investor whose subscription has been accepted will become a Limited Partner. See "*Use of Proceeds*".

The General Partner, on behalf of the Partnership, reserves the right to reject any subscription in whole or in part and to reject all subscriptions. If a subscription for Units is rejected or accepted in part, unused monies received will be returned forthwith to the Investor. If all subscriptions are rejected, subscription proceeds received will be returned forthwith to the Investor without interest or deduction. Subscription proceeds pursuant to the Offering will be received by the Agents, or such other registered dealers or brokers as are authorized by the Agents, and held in trust in a segregated account until subscriptions for the minimum offering are received and other closing conditions of the Offering have been satisfied.

The Partnership may continue to offer Units pursuant to this prospectus after the minimum number of Units has been sold. The Agency Agreement provides for subsequent Closings; however, the Partnership will not offer more than 2,500,000 Units and will not continue the Offering beyond the day that is 90 days from the date of issuance of a final receipt for this prospectus. If a material change occurs in the affairs of the Partnership that would reasonably be expected to have a significant effect on the market price or value of the Units offered by this prospectus prior to the completion of the Offering under this prospectus, an amendment to this prospectus will be filed with appropriate regulatory authorities.

Officers and directors of the General Partner and their associates and affiliates may purchase Units, provided however that the aggregate number of Units purchased by such persons shall not exceed 25% of the Units sold at each Closing of the Offering.

The Agents may, from time to time, be involved in raising money for Resource Companies and the Partnership may or may not commit funds in connection with any such transaction. The Agents may earn fees on such transactions. In addition, the Agents may, from time to time, be involved in sourcing Resource Companies in which the Partnership invests and may receive a fee payable by the Resource Company or the Partnership in connection therewith.

Registration of interests in and transfers of Units will only be made through the depository services of CDS. On the Closing, the Units will be registered in the name of CDS. Book-entry only certificates representing the Units will be issued in registered form to CDS or its nominee on the Closing Date.

Any purchase or transfer of Units must be made through CDS Participants, which include securities brokers and dealers, banks and trust companies. Indirect access to the CDS Book-Entry System is also available to other institutions that maintain custodial relationships with a CDS Participant, either directly or indirectly. Each purchaser of a Unit will receive a customer confirmation of purchase from the CDS Participant from whom such Unit is purchased in accordance with the practices and procedures of such CDS Participant.

The Partnership does not intend to list the Units on any stock exchange.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Messrs. Alex Sasso, Keith Leslie and Steve Smith are officers and/or directors of the General Partner. In addition, Messrs. Sasso, Smith and Leslie are directors and shareholders of Norrep Group which, in turn, owns all of the voting shares of the General Partner and Norrep. Norrep will be entitled to receive remuneration from the General Partner in respect of services provided to the General Partner on behalf of the Partnership pursuant to the Investment Management Agreement. See "*Organization and Management Details of the Partnership – The General Partner*" and "*Organization and Management Details of the Partnership – Officers and Directors of the General Partner*".

Norrep is wholly-owned by Norrep Group, which is beneficially owned as to a majority by Gary Perron. Gary Perron is also a director of Norrep Group. Mr. Perron is also the Chief Executive Officer, majority owner and an advising representative of Perron & Partners Wealth Management Corp., which is a registered investment dealer in four provinces of Canada and is a member of the Investment Industry Regulatory Organization of Canada (IIROC). Mr. Perron will receive the benefit of commissions received by Perron & Partners Wealth Management Corp. with respect to purchases of Units by his clients, and will benefit as an owner in the revenues generated by Perron & Partners Wealth Management Corp. He will also benefit from dividends or other distributions of profit from Norrep Group.

PROXY VOTING DISCLOSURE FOR PORTFOLIO SECURITIES HELD

Norrep believes the right to vote is one of the most effective tools for promoting good corporate governance. Promoting sound corporate governance policies in the companies in which Norrep invests is a responsibility Norrep takes very seriously. Norrep sees strong corporate governance as an essential element in the realization of the growth potential of companies which, ultimately, increases shareholder value.

Norrep has developed guidelines regarding how it intends to vote on both routine issues and on issues that are not routine and, in fact, may be potentially contentious. Generally, Norrep attempts to vote all proxies as follows:

(a) On routine, or commonly raised issues, Norrep will vote according to management's recommendations, unless Norrep believes there is sufficient and worthy reason to suspect that the management recommendation should not be supported because a vote in favour of management's recommendation is not in the best interests of the shareholders of that particular company. In such

instances, the matter will be considered by the portfolio manager for the relevant fund, who will make the decision.

(b) On non-routine issues and issues which may be potentially contentious, the matter is delegated to the portfolio manager for the relevant fund and, where appropriate, the Independent Review Committee, for detailed consideration. The portfolio manager or the Independent Review Committee, as applicable, will then decide whether to consult with, and obtain the opinion of, external industry experts or independent proxy research services in respect of the vote. Ultimately, Norrep will be responsible for making the judgment as to how to vote or to refrain from voting and, if applicable, the Independent Review Committee will be responsible for giving an opinion on that judgment.

(c) Norrep's proxy voting guidelines are not viewed by Norrep as a strict set of rules but, rather, are utilized as a directive regarding Norrep's treatment of most issues that result in a vote. Ultimately, these guidelines communicate Norrep's general voting practice on most matters.

(d) Lastly, in order to ensure that Norrep's guidelines are adhered to Norrep's Compliance Officer reviews the proxy voting record, as required.

The services of the senior officers of Norrep are not exclusive to the Partnership. As the Partnership and Norrep's other clients may hold securities in one or more of the same issuers, conflicts of interest may arise from time to time in allocating investment opportunities, timing investment decisions and exercising rights in respect of, and otherwise dealing with, such securities and issuers. Norrep will address such conflicts of interest having regard to NI 81-107 and to the investment objectives of each of the parties involved and will act in accordance with the duty of care owed to each of them.

To the extent required, the Partnership intends to rely on exemptive relief, obtained by Norrep on behalf of the Partnership and other flow-through limited partnerships established by Norrep, from the requirements under NI 81-106 to prepare, maintain and post on its website the Partnership's proxy voting record. A copy of Norrep's proxy voting guidelines is available on Norrep's website at www.norrep.com. Information contained on the website of Norrep is not part of this prospectus and is not incorporated herein by reference.

MATERIAL CONTRACTS

Material contracts which have been entered into or will, on or prior to the Initial Closing Date, be entered into by the Partnership or the General Partner on behalf of the Partnership since the Partnership's formation are as follows:

(a) the Partnership Agreement (see "*Securityholder Matters*");

(b) the Custodian Agreement (see "*Organization and Management Details of the Partnership – Custodian*");

(c) the Agency Agreement (see "*Plan of Distribution*");

(d) the Investment Management Agreement (see "*Organization and Management Details of the Partnership – Details of the Investment Management Agreement*"); and

(e) the Transfer Agreement (see *"Termination of the Partnership – Summary of the Transfer Agreement"*).

Copies of the contracts referred to above may be inspected during normal business hours at the principal place of business of the General Partner at 1100, 606 - 4 Street SW, Calgary, Alberta, T2P 1T1 and its registered office located at Suite 600, 815 – 8th Avenue S.W., Calgary, Alberta, T2P 3P2 throughout the period of distribution and for 30 days thereafter. In addition, they are available anytime on the Internet at www.sedar.com.

EXPERTS

The auditors of the Partnership are KPMG LLP, Chartered Professional Accountants, who has prepared an independent auditors' report dated April 28, 2017 in respect of the Partnership's opening statement of financial position as at March 14, 2017. KPMG LLP has advised that they are independent with respect to the Partnership within the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of Alberta.

Legal matters in connection with the Offering will be passed upon on behalf of the Partnership and the General Partner by WeirFoulds LLP and on behalf of the Agents by McCarthy Tétrault LLP. As of the date hereof, the partners and associates of WeirFoulds LLP and McCarthy Tétrault LLP beneficially own, directly or indirectly, less than 1% of the outstanding securities or other property of the Partnership.

EXEMPTIONS AND APPROVALS

To the extent required, the Partnership intends to rely on exemptive relief, obtained by Norrep on behalf of the Partnership and other flow-through limited partnerships established by Norrep, from the requirements under NI 81-106:

(a) to prepare and file an annual information form, and

(b) to prepare, maintain and post on its website the Partnership's proxy voting record.

A copy of Norrep's proxy voting guidelines is available on Norrep's website at www.norrep.com. See "*Proxy Voting Disclosure for Portfolio Securities Held*".

PURCHASERS' STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages where the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that such remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of its province. The purchaser should refer to any applicable provisions of the securities legislation of its province for the particulars of these rights or consult with a legal advisor.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Norrep 2017 Management Inc., the General Partner of Norrep Short Duration 2017 Flow-Through Limited Partnership

We have audited the accompanying financial statement of Norrep Short Duration 2017 Flow-Through Limited Partnership, which comprises the opening statement of financial position as at March 14, 2017 and notes, comprising a summary of significant accounting policies and other explanatory information (together "the financial statement").

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement presents fairly, in all material respects, the financial position of Norrep Short Duration 2017 Flow-Through Limited Partnership as at March 14, 2017 in accordance with International Financial Reporting Standards for such a financial statement.

Calgary, Canada
April 28, 2017

(signed) KPMG LLP
Chartered Professional Accountants

NORREP SHORT DURATION 2017 FLOW-THROUGH LIMITED PARTNERSHIP

OPENING STATEMENT OF FINANCIAL POSITION

March 14, 2017

(in Canadian dollars)

Assets	
Current assets:	
Cash	10
Net assets attributable to Initial Limited Partner	10

Subsequent Event (note 4)

On behalf of the Board of Directors of Norrep 2017 Management Inc. as General Partner of the Partnership.

(signed) ALEXANDER M. SASSO
Director

(signed) R. STEVENSON SMITH
Director

The accompanying notes are an integral part of this statement of financial position.

NORREP SHORT DURATION 2017 FLOW-THROUGH LIMITED PARTNERSHIP

NOTES TO OPENING STATEMENT OF FINANCIAL POSITION

(all amounts in Canadian dollars)

March 14, 2017

1. Formation Of The Partnership

Norrep Short Duration 2017 Flow-Through Limited Partnership (the "**Partnership**") was formed on March 14, 2017 as a limited partnership under the laws of the Province of Alberta. The address of the Partnership's principal place of business is 1100, 606 - 4 Street SW, Calgary, Alberta, T2P 1T1. The Partnership has been inactive since the date of formation, other than the issuance of one limited partnership unit for cash consideration of $10.

2. Nature Of Business

The Partnership intends to invest in flow-through shares of resource companies in accordance with defined investment objectives, strategies and restrictions. An investment vehicle of this nature is subject to various risk factors, including but not limited to, reliance on Norrep 2017 Management Inc. (the "General Partner"), a company with limited operating and investment history, for investment advisory services and the availability of a sufficient number of resource companies willing to issue flow-through shares. In addition, there is currently no market through which the units of the Partnership may be sold and no assurance can be given that such a market will develop.

Partnership Agreement

Under the terms of the partnership agreement (the "**Partnership Agreement**") dated as of March 14, 2017, as amended and restated effective April 28, 2017, the limited partners will hold a 99.99% undivided interest in the Partnership and the General Partner will hold a 0.01% undivided interest in the Partnership. Upon dissolution, the General Partner will be entitled to additional distributions in excess of its 0.01% interest. Norrep (defined below) is entitled to an annual management fee of 2.00% of the net asset value of the Partnership and paid monthly. The limited partner units are classified as liabilities under IFRS because the Partnership has a limited life and the general partner interest is subordinate.

Service Arrangement

Pursuant to the terms of an Investment Management Agreement among the Partnership, the General Partner, Norrep Capital Management Ltd. ("**Norrep**"), Norrep will provide investment, management, administrative and other services to the Partnership on behalf of the General Partner. Norrep will also provide the General Partner with office facilities, equipment and staff as required and the General Partner will reimburse Norrep for such services rendered by Norrep, the cost of which will be borne by the General Partner and not reimbursed by the Partnership.

Termination of Partnership

It is the intention of the General Partner to transfer the assets of the Partnership prior to September 30, 2018 to Norrep Opportunities Corp., in exchange for securities of Norrep Opportunities Corp. on a tax deferred basis, following which the securities of Norrep Opportunities Corp. will be distributed to limited partners on a tax deferred basis upon the dissolution of the Partnership.

3. Basis Of Presentation

This financial statement has been prepared in accordance with International Financial Reporting Standards (IFRS) as published by the International Accounting Standards Board (IASB) for such a financial statement.

This financial statement was authorized for issue by the board of directors of the General Partner on April 28, 2017.

4. Subsequent Event

Agency Agreement

On April 28, 2017, the General Partner, the Partnership and Norrep entered into an agency agreement (the "**Agency Agreement**") with BMO Nesbitt Burns Inc., CIBC World Markets Inc., National Bank Financial Inc., RBC Dominion Securities Inc., Scotia Capital Inc., TD Securities Inc., GMP Securities L.P., Raymond James Ltd., Canaccord Genuity Corp., Desjardins Securities Inc., Industrial Alliance Securities Inc., Laurentian Bank Securities Inc. and Manulife Securities Incorporated (the "**Agents**") pursuant to which the Agents were appointed to act as the sole and exclusive agents of the Partnership to offer for sale a minimum of 500,000 units and a maximum of 2,500,000 units, on a best efforts basis at $10.00 per unit. The Partnership filed a prospectus dated April 28, 2017 in order to qualify the units for sale.

CERTIFICATES OF PARTNERSHIP, MANAGER AND PROMOTER

Dated: April 28, 2017

This prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces of Canada.

NORREP 2017 MANAGEMENT INC.

As General Partner

(signed) ALEXANDER M. SASSO
Chief Executive Officer

(signed) R. STEVENSON SMITH
Chief Financial Officer

On behalf of the Board of Directors of the General Partner

(signed) KEITH LESLIE
Director

(signed) ALEXANDER M. SASSO
Director

(signed) R. STEVENSON SMITH
Director

NORREP CAPITAL MANAGEMENT LTD.

As Investment Fund Manager

(signed) Alexander M. SASSO
Chief Executive Officer

(signed) R. STEVENSON SMITH
Chief Financial Officer

On behalf of the Board of Directors of the Investment Fund Manager

(signed) KEITH LESLIE
Director

(signed) CRAIG MILLAR
Director

NORREP INVESTMENT MANAGEMENT GROUP INC.

As Promoter

(signed) ALEXANDER M. SASSO
Chief Executive Officer

(signed) R. STEVENSON SMITH
Chief Financial Officer

On behalf of the Board of Directors of the Promoter

(signed) KEITH LESLIE
Director

(signed) CRAIG MILLAR
Director

CERTIFICATE OF THE AGENTS

Dated: April 28, 2017

To the best of our knowledge, information and belief, this prospectus constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of each of the provinces of Canada.

BMO NESBITT BURNS INC.

(signed)

ROBIN G. TESSIER

CIBC WORLD MARKETS INC.	**NATIONAL BANK FINANCIAL INC.**	**RBC DOMINION SECURITIES INC.**	**SCOTIA CAPITAL INC.**	**TD SECURITIES INC.**
(signed)	(signed)	(signed)	(signed)	(signed)
VALERIE TAN	ETIENNE DUBUC	CHRISTOPHER BEAN	ROBERT HALL	ADAM LUCHINI

GMP SECURITIES L.P.

(signed)

ANDREW KIGUEL

RAYMOND JAMES LTD.

(signed)

J. GRAHAM FELL

CANACCORD GENUITY CORP.

(signed)

MICHAEL D. SHUH

DESJARDINS SECURITIES INC.	**INDUSTRIAL ALLIANCE SECURITIES INC.**	**LAURENTIAN BANK SECURITIES INC.**	**MANULIFE SECURITIES INCORPORATED**
(signed)	(signed)	(signed)	(signed)
NIKOLAS JAVAHERI	VILMA JONES	TYLER WIRVIN	WILLIAM PORTER